

**UNITED STATES BANKRUPTCY COURT
THE SOUTHERN DISTRICT OF NEW YORK**

In re:

ATARI, INC., et al.,

Reorganized Debtors.¹

Chapter 11

Case No. 13-10176 (RG)

(Jointly Administered)

**ORDER SUSTAINING THE REORGANIZED DEBTORS' SECOND
OMNIBUS OBJECTION TO CERTAIN CLAIMS
(CLAIMS THAT CONTRADICT THE DEBTORS' BOOKS AND RECORDS, CLAIMS
THAT ARE IMPROPERLY CLASSIFIED, AND LATE FILED CLAIM)**

Upon the *Reorganized Debtors' Second Omnibus Objection to Certain Claims (Claims that Contradict the Debtors' Books and Records, Claims That are Improperly Classified and Late Filed Claim)* (the "**Objection**")² seeking entry of an order (this "Order") (i) reducing the Disputed Claims listed on **Schedule 1** hereto; (ii) reclassifying the Disputed Claims listed on **Schedule 2** hereto; and (iii) expunging the Disputed Claim listed on **Schedule 3** hereto, pursuant to Bankruptcy Code section 502(b) and Bankruptcy Rule 3007; and consideration of the Objection and the relief requested therein being a core proceeding pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Objection having been provided; and it appearing that no other or further notice need be provided; and the Court having determined that there exists just cause for the relief granted herein and that such relief is in the best interests of the Debtors, their estates and creditors and all other parties in interest; and after due deliberation and sufficient cause appearing therefore,

¹ The "**Reorganized Debtors**" are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Objection.

IT IS HEREBY ORDERED THAT:

1. The Objection is sustained to the extent set forth herein.
2. The Claims Subject to Adjustment listed on **Schedule 1**³ attached hereto are hereby reduced by the amounts set forth on **Schedule 1** pursuant to Bankruptcy Code section 502(b).
3. The Claims to be Reclassified listed on **Schedule 2** attached hereto are hereby reclassified in their entirety pursuant to Bankruptcy Code sections 502(b) and 503.
4. The Late Filed Claim listed on **Schedule 3** attached hereto is hereby expunged and disallowed in its entirety pursuant to Bankruptcy Code sections 502(b).
5. The reduction, reclassification or expunging of the Disputed Claims does not constitute any admission or finding with respect to any of the Disputed Claims.
6. The terms and conditions of this Order shall be immediately effective and enforceable upon the entry of this Order.
7. The clerk of the Court and the Debtors' claims agent are authorized and directed to modify the official claims register for each Debtor, as appropriate, in accordance with the terms of this Order.
8. The Debtors are authorized to take all such actions as are necessary or appropriate to implement the terms of the Order.
9. The Court retains jurisdiction with respect to all matters arising from or related to

³ The Reorganized Debtors' Objection with respect to Claim No. 175 of Wal-Mart Stores Inc. has been adjourned to be heard before the Court on **March 11, 2014 at 10:00 am.**

the interpretation, implementation, and enforcement of this Order.

Dated: New York, New York
February 21, 2014

s/ Robert E. Grossman

HONORABLE ROBERT E. GROSSMAN
UNITED STATES BANKRUPTCY JUDGE

Schedule 1

Books and Records - Claims Subject to Adjustment

IN RE ATARI, INC., ET AL.**Schedule 1: Books and Records - Claims Subject to Adjustment**

Date Filed	Claim Number	Claimant	Asserted Claim Amount	Adjusted Claim Amount	Basis of Objection	Debtor/Case Number
4/17/2013	75	Activate Media Group c/o William Palmer 4319 Saltillo St Woodland Hills, CA 91364	\$25,500	\$0	Books & Records	Atari, Inc. 13-10176
4/12/2013	58	Appsfire 23 Rue Du Depart Paris, 75014 France	\$103,500	\$56,500	Books & Records	Atari, Inc. 13-10176
4/29/2013	101	Flurry Inc 360 3rd St., Suite 750 San Francisco, CA 94107	\$112,931.40	\$95,750	Books & Records	Atari, Inc. 13-10176
4/29/2013	109	Flying Wisdom Studios, Inc. ¹ 181 Fremont Street, 2nd Floor San Francisco, CA 94105	\$50,135	\$34,465	Books & Records	Atari, Inc. 13-10176
4/30/2013	164	Koolhaus Games, Inc. 204-896 Cambie Street Vancouver, BC, V6B 2P6 Canada	\$64,320	\$48,240	Books & Records	Atari, Inc. 13-10176

¹ Claimant has transferred the rights of their claim to TRC Master Fund LLC, Attn: Terrel Ross, PO Box 633, Woodmere, NY 11598.

IN RE ATARI, INC., ET AL.**Schedule 1: Books and Records - Claims Subject to Adjustment**

Date Filed	Claim Number	Claimant	Asserted Claim Amount	Adjusted Claim Amount	Basis of Objection	Debtor/Case Number
4/1/2013	26	Prime Studios, Inc. aka Codename 453 South Spring Street, Suite 922 Los Angeles, CA 90013	\$22,740	\$0	Books & Records	Atari, Inc. 13-10176
4/19/2013	77	Target Corp PO Box 59251 Department 80 Minneapolis, MN 55459	\$119,274.97	\$56,533	Books & Records	Atari, Inc. 13-10176
4/24/2013	84	Ubitus, Inc. 8F NO. 143 Fuxing N Rd Taipei, 105 Taiwan, Republic of China	\$79,376.69	\$0	Books & Records	Atari, Inc. 13-10176
4/4/2013	35	West Coast Marketing aka The Susquehanna Hat Company 23901 Calabasas Road, Suite 2001 Calabasas, CA 91302	\$2,500	\$0	Books & Records	Atari, Inc. 13-10176

IN RE ATARI, INC., ET AL.**Schedule 1: Books and Records - Claims Subject to Adjustment**

Date Filed	Claim Number	Claimant	Asserted Claim Amount	Adjusted Claim Amount	Basis of Objection	Debtor/Case Number
2/15/2013	5	General Motors LLC ² Attn: Royalty Administration Equity Management Inc. 4365 Executive Drive, Suite 1000 San Diego, CA 92121	\$16,748.35	\$2,207	Books & Records	Atari, Inc. 13-10176
2/25/2013	8	Konica Monica ³ c/o CIT Finance, LLC Bankruptcy Processing Solutions, Inc. 1162 E Sonterra Blvd, Suite 130 San Antonio, TX 78258	\$12,237.78	\$1,057.60	Books & Records	Atari, Inc. 13-10176
TOTAL			\$773,048.05	\$352,957.52		

² The Debtors have assumed the executory contract with this Claimant pursuant to the Schedule of Contracts and Leases to be Assumed Pursuant to the Plan and Proposed Cure Amounts (the "Cure Schedule") filed with the Debtors' Plan Supplement on November 27, 2013 [Docket No. 487]. Accordingly, Claim Number 5 was amended and superseded by the amount set forth on the Cure Schedule and out of an abundance of caution the Debtors' seek to reduce Claim Number 5 to the amount listed on the Cure schedule per the Debtors' books and records.

³ The Debtors have assumed the executory contract with this Claimant pursuant to the Schedule of Contracts and Leases to be Assumed Pursuant to the Plan and Proposed Cure Amounts (the "Cure Schedule") filed with the Debtors' Plan Supplement on November 27, 2013 [Docket No. 487]. Accordingly, Claim Number 8 was amended and superseded by the amount set forth on the Cure Schedule and out of an abundance of caution the Debtors' seek to reduce Claim Number 8 to the amount listed on the Cure schedule per the Debtors' books and records.

Schedule 2

Claims to be Reclassified

IN RE ATARI, INC., ET AL.
Schedule 2: Claims to be Reclassified

Date Filed	Claim Number	Claimant	Asserted Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
4/2/2013	28	Laboratories Bug Tracker, Inc. ¹ 2030 Blvd Pie-IX, Suite 208 Montreal (Quebec) H1C 2C8 Canada	\$68,368.60	Priority: \$68,368.60	Priority: \$0.00 General Unsecured: \$68,368.60	Does not qualify for priority status.
3/18/2013	23	Fatdroid Stuart Allison 9415 Culver Blvd Culver City, CA 90232	\$5,750	Priority: \$5,750	Priority: \$0.00 General Unsecured: \$5,750	Does not qualify for priority status.
4/15/2013	64	Tomdi Sales & Marketing C/O Thomas E Ryan 1601 Blackburn Heights Drive Sewickley, PA, 15143	\$1,595.70	Priority: \$1,595.70	Priority: \$0.00 General Unsecured: \$1,595.70	Does not qualify for priority status.

¹ Claimant has transferred the rights of their claim to TRC Master Fund LLC, Attn: Terrel Ross, PO Box 633, Woodmere, NY 11598.

IN RE ATARI, INC., ET AL.
Schedule 2: Claims to be Reclassified

Date Filed	Claim Number	Claimant	Asserted Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
4/24/2013	87	Madruse LLC* c/o James Jensen 1162 East 1180 North American Fork, UT, 84003	\$33,000	Priority: \$33,000	Priority: \$0.00 General Unsecured: \$33,000	Does not qualify for priority status.
4/12/2013	57	Vgmarket, LLC 3720 North 32Nd Terrace Hollywood, FL, 33021	\$20,000	Priority: \$14,325 Unsecured: \$5,675	Priority: \$0.00 General Unsecured: \$20,000	Does not qualify for priority status.
4/30/2013	152	Ward Swan 6446 1/2 Orange Street Los Angeles, CA, 90048	\$1,250	Administrative: \$1,250	Administrative: \$0.00 General Unsecured: \$1,250	Does not qualify for administrative status.
TOTAL			\$129,964.30			

Schedule 3

Late Filed Claim

IN RE ATARI, INC., ET AL.					
<u>Schedule 3: Late Filed Claim</u>					
Date Filed	Claim Number	Claimant	Asserted Claim Amount	Basis of Objection	Debtor/Case Number
11/26/2013	193	Peter J Solomon Company 1345 Avenue Of The Americas, 31st Floor New York, NY 10105	\$77,522.28	Late filed claim to be expunged	Atari, Inc. 13-10176
TOTAL			\$77,522.28		

