

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

THQ, INC., *et al.*

Debtors.

Chapter 11

Case No. 12-13398 (MFW)

Jointly Administered
Related D.I. 19, 148 & 155

**UNIVERSAL CITY STUDIOS, LLLP'S OBJECTION TO DEBTORS'
TO PROPOSED SALE AND PROPOSED ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS AND PROPOSED
CURE AMOUNT IN CONNECTION THEREWITH**

Universal City Studios, LLLP ("NBCU"), hereby file this objection to the Debtors proposed sale and proposed assumption and assigned of certain executory contracts and the proposed cure amount in connection therewith. In support of its objection, NBCU states as follows:

BACKGROUND

1. On December 19, 2012, the above captioned debtors (collectively, the "Debtors") filed petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

2. On December 19, 2012, the Debtors filed a motion to sell substantially all of their assets and on January 14, 2013, the Debtors filed a Notice of Filing Contract Notice Contracts (the "Contract Notice"), in which they identified certain executory contracts that they intended to assume and assign and the cure amounts associated therewith including a license agreement with NBCU for certain limited rights in the unscripted live-action television series entitled "The Biggest Loser" (the "License Agreement").



3. The Contract Notice was sent to a NBCU address that is not typically used for legal notices and as a result general counsel for NBCU was not made aware of the Contract Notice until the evening of January 22, 2013. NBCU was able to retain Delaware counsel immediately who was able to lodge an informal objection to the Contract Notice.

4. Counsel for the Debtors did inform NBCU that it did not appear that any potential purchaser wanted to assume the License Agreement so it was unlikely that the License Agreement would be assumed and assigned.

OBJECTION

5. While it appears that the License Agreement is not now subject to assumption and assignment, out of an abundance of caution, NBCU does hereby object to the proposed assumption and assignment of the License Agreement and notes that the Debtors must cure all outstanding amounts owed under the License Agreement in full prior to the assuming and assigning such contract.

6. The Contract Notice provided no cure amount as owing to NBCU. While NBCU does not now know the exact of the cure, as this will require a reconciliation of the Debtor's sales under the License Agreement for the last quarter before the Petition Date, based on historical sales, the amount of the cure is likely to be approximately \$50,000.00.

7. Bankruptcy Code § 365 provides in pertinent part as follows:

(b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default . . .;

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease. 11 U.S.C. § 365 (b)(1).

8. Taking into account the statutory language, it is clear that the Debtors are required to immediately cure defaults relative to their License Agreement with NBCU before it can be assumed.

9. Additionally, in the event of assumption, the Debtors are required to provide adequate assurance of future performance of the contracts. NBCU does not know the identity of the potential purchaser and reserves all rights to challenge any purchaser's ability to provide adequate assure of future performance. Indeed, NBCU disputes that its License Agreement is subject to assumption and assignment as the License Agreement specifically provides that it is non-transferable and non-assignable.

10. The cure amounts are an estimate based on information gathered under the time constraints dictated by the Notice. As such, NBCU reserves all of its rights to supplement and amend its objection and the cure amounts as additional information becomes available.

CONCLUSION

WHEREFORE, NBCU respectfully requests that the Court disallow the assumption and assignment of its License Agreement and that prior to any assumption of the License Agreement, the Court (i) require the Debtors to cure all prepetition and post-petition defaults relative to License Agreement, (ii) require the Debtors to provide NBCU with adequate assurance of future performance, and (iii) grant such other and further relief as this Court deems just and proper.

Dated: January 23, 2013

Respectfully submitted,

/s/ Charles J. Brown, III

Charles J. Brown, III, Esq. (No. 3368)

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CERTIFICATE OF SERVICE

I hereby certify that on this date, I caused true and correct copies of the foregoing document to be served via first class mail, postage prepaid and facsimile upon the following:

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Dated: January 23, 2013

/s/ Charles J. Brown, III
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