

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11  
: :  
THQ INC., *et al.*, : Case No. 12-13398 (MFW)  
: :  
Debtors.<sup>1</sup> : Jointly Administered  
: :  
: RE: Docket Nos. 611, 649 & 654  
: :  
: :  
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**OMNIBUS REPLY BY DEBTORS TO OBJECTIONS TO DEBTORS' MOTION  
PURSUANT TO SECTIONS 105, 363 AND 365 OF THE BANKRUPTCY CODE FOR  
AN ORDER AUTHORIZING THE DEBTORS TO ENTER INTO CERTAIN  
ASSET PURCHASE AGREEMENTS FOR THE SALE OF CERTAIN  
REMAINING INTELLECTUAL PROPERTY**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) hereby file this omnibus reply to the following objections related to the *Debtors’ Motion Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code for an Order Authorizing the Debtors to Enter Into Certain Asset Purchase Agreements for the Sale of Certain Remaining Intellectual Properties* [Docket No. 166] (the “Sale Motion”)<sup>2</sup>:

- i. *Limited Objection and Reservation of Rights of Pipeworks Software to Sale Motion and Proposed Cure Amount* [Docket No. 649] (the “Pipeworks Objection”); and
- ii. *Response to the Notice of Debtors Motion pursuant to Sections 105, 363 and 365 of the Bancruptcy [sic] Code for an Order Authorizing the Debtors to enter into Certain Asset Purchase Agreements for the Sale of Certain Remaining Properties, dated April 22, 2013* [Docket No. 654] (the “DTP Objection”).

<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtor’s taxpayer identification number are as follows: THQ Inc. (1686); THQ Digital Studios Phoenix, Inc. (1056); THQ Wireless Inc. (7991); Volition, Inc. (4944); and Vigil Games, Inc. (8651). The Debtors’ principal offices are located at 29903 Agoura Road, Agoura Hills, CA 91301.

<sup>2</sup> All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Sale Motion.



In addition to the filed objections, the Debtors also reply to the following two informal objections:

- iii. A limited objection from Sony Pictures Television, Inc. (“SPT”) regarding the proposed cure amount (the “SPT Objection”); and
- iv. A limited objection from Oracle America, Inc. (“Oracle”) regarding the transfer of Oracle agreements and Oracle software (the “Oracle Objection”).

### **REPLY**

1. The Debtors have consensually resolved the DTP Objection, SPT Objection and Oracle Objection by agreement with the objecting party as further described below.

2. The Debtors are currently in discussions with Pipeworks to resolve its objection, as further described below, and will continue to work toward a consensual resolution of the Pipeworks Objection prior to the hearing to approve the Sale scheduled for May 13, 2013 (the “Sale Hearing”).

#### **A. The Pipeworks Objection**

3. Pursuant to the Sale Motion, the Debtors seek authority to assume and assign the Assumed Contracts. The Debtors provided notice of the Cure Amounts in connection with the assumption and assignment of the Assumed Contracts. The Debtors did not identify a Cure Amount for the Assumed Contracts of which Pipeworks Software (“Pipeworks”) is a party.

4. Pipeworks is party to certain Development Agreements related to IP being acquired by Nordic Games Licensing AB (“Nordic”) pursuant to the Nordic Asset Purchase Agreement. The IP includes the game titles *Wheel of Fortune*, *Jeopardy*, and *uDraw*.

5. Pipeworks’ objection is limited to its assertion that a Cure Amount of \$245,972.92 is due for amounts owed to Pipeworks by the Debtors that must be paid for the

Debtors to assume and assign its Development Agreements. Pipeworks also reserves its right to assert additional amounts due related to ongoing royalty obligations pursuant to the Development Agreements.

6. The Debtors dispute the assertions in the Pipeworks Objection. The Debtors have estimated Pipeworks' Cure Amount at zero. The Debtors assert that the Debtors have made royalty overpayments to Pipeworks in the amount of about \$361,000, and that a net amount is owed by Pipeworks to the Debtors.

7. The Debtors and Pipeworks are currently discussing the issues raised in the Pipeworks Objection. The Debtors' goal is to resolve this objection consensually between now and the Sale Hearing and will address the objection at the Sale Hearing to the extent the objection is not resolved.

#### **B. The DPT Objection**

8. The Debtors seek to assume and assign to Nordic certain Assumed Contracts in which dtp entertainment AG ("ntp") and dtp young entertainment GmbH & Co. KG (now known as Treva Entertainment GmbH) ("Treva") are parties (the "ntp Contracts"). The DPT Objection was submitted by the legal representative of the administrator of assets of dtp.

9. The Debtors, dtp and Treva have conferred regarding the issues raised by the DPT Objection and have reached agreement for the withdrawal of the DPT Objection subject to agreement between Nordic, the Debtors, dtp and Treva regarding the assumption and assignment of the dtp Contracts to Nordic related to the video games "Let's Ride Best of Breed" (platform 3DS), "Paws & Claws Marine Rescue" (platform NDS), "Paws and Claws Pampered Pets Resort" (platform 3DS), and "Vampire Legends: Power of Three" (platform NDS). The Debtors are working with the respective parties to finalize the resolution of the DPT Objection in the proposed Nordic Sale Order.

**C. The SPT Objection**

10. In the Sale Motion, the Debtors did not list a Cure Amount related to the assumption and assignment of contracts with SPT to Nordic. SPT raised an informal objection with the Debtors asserting that it was owed \$54,072 regarding such contracts. The Debtors, Nordic and SPT consensually resolved the SPT Objection with an agreement that SPT has a Determined Cure Amount in the amount of \$54,072.00 and this amount shall be paid to SPT at the same time as Determined Cure Amounts set forth on Exhibit 5 are paid.

**D. The Oracle Objection**

11. Pursuant to the Sale Motion, the Debtors do not request nor intend to assign any contracts with Oracle or transfer any electronic data processing equipment, such as computers, containing Oracle software. Oracle raised an informal objection with the Debtors asserting that, to the extent applicable, it did not consent to such assignment or transfer. The Debtors, with agreements of the Buyers, resolved the Oracle Objection with Oracle, and the Debtors are in the process of confirming this consensual resolution in the proposed Sale Orders with each Buyer.

WHEREFORE, the Debtors respectfully request that the Court overrule certain of the objections as proposed herein and grant the relief requested in the Sale Motion. The Debtors will endeavor to resolve all the Objections between now and the Sale Hearing and address matters that remain at the Sale Hearing.

Dated: May 9, 2013  
Wilmington, Delaware

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