

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

|                      |   |   |
|----------------------|---|---|
| -----                | X |   |
| In re:               | : | Chapter 11  |
|                      | : |   |
| THQ INC.,            | : | Case No. 12-13398 (MFW)                               |
|                      | : |   |
| Debtor. <sup>1</sup> | : |   |
|                      | : | <b>Obj. Deadline: July 31, 2020 at 4:00 p.m. (ET)</b> |
|                      | : | <b>Hearing Date: To Be Determined, if necessary</b>   |
| -----                | X |   |

**NOTICE OF MOTION**

TO: (I) THE U.S. TRUSTEE; AND (II) ALL PARTIES WHO HAVE FILED A NOTICE OF APPEARANCE AND REQUEST FOR SERVICE OF PAPERS PURSUANT TO BANKRUPTCY RULE 2002

**PLEASE TAKE NOTICE** that THQ Inc. has filed the attached *Motion of THQ Inc. for an Order Extending the Terms of the Litigation Trust and Stock Trust* (the "Motion").

**PLEASE TAKE FURTHER NOTICE** that responses, if any, to the relief requested in the Motion must be filed with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 on or before **July 31, 2020 at 4:00 p.m. (ET)** (the "Objection Deadline"). At the same time, you must serve a copy of your response upon the undersigned counsel.

**PLEASE TAKE FURTHER NOTICE THAT IF ANY OBJECTIONS TO THE MOTION ARE TIMELY FILED AND SERVED, A HEARING ON THE MOTION WILL BE SCHEDULED BY THE DEBTORS, SUBJECT TO THE AVAILABILITY OF THE COURT.**

<sup>1</sup> The Debtor in this proceeding, along with the last four digits of its taxpayer identification number, is THQ Inc. (1686). The Debtor's current mailing address is c/o FTI Consulting, 350 South Grand Avenue, Suite 3000, Los Angeles, CA 90071.



**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND TO THE MOTION IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.**

Dated: July 17, 2020  
Wilmington, Delaware

/s/ Jaime Luton Chapman  
Michael R. Nestor (No. 3526)  
M. Blake Cleary (No. 3614)  
Jaime Luton Chapman (No. 4936)  
YOUNG CONAWAY STARGATT & TAYLOR, LLP  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253

-and-

Oscar Garza (CA No. 149790)  
Jeffrey C. Krause (CA No. 94053)  
GIBSON, DUNN & CRUTCHER LLP  
333 South Grand Avenue  
Los Angeles, California 90071-1512  
Telephone: (213) 229-7000  
Facsimile: (213) 229-7520

*Counsel to THQ Inc.*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|                      |   |   |
|----------------------|---|---|
| -----                | X |   |
| In re:               | : | Chapter 11  |
|                      | : |   |
| THQ INC.,            | : | Case No. 12-13398 (MFW)                               |
|                      | : |   |
| Debtor. <sup>1</sup> | : | <b>Obj. Deadline: July 31, 2020 at 4:00 p.m. (ET)</b> |
|                      | : | <b>Hearing Date: To Be Determined, if necessary</b>   |
| -----                | X |   |

**MOTION OF THQ INC. FOR AN ORDER EXTENDING THE TERMS  
OF THE LITIGATION TRUST AND STOCK TRUST**

THQ Inc. (“THQI”), by and through its undersigned counsel, hereby moves (the “Motion”) for entry of an order extending the terms of the Litigation Trust and Stock Trust through and including July 30, 2021, in accordance with the Litigation Trust Agreement and Stock Trust Agreement (together, the “Agreements”).<sup>2</sup> In support thereof, THQI respectfully represents as follows:

**JURISDICTION**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference from the United States District Court for the District of Delaware dated as of February 29, 2012. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicate for the relief requested herein is section 105(a) of the Bankruptcy Code.

---

<sup>1</sup> The Debtor in this proceeding, along with the last four digits of its taxpayer identification number, is THQ Inc. (1686). The Debtor’s current mailing address is c/o FTI Consulting, 350 South Grand Avenue, Suite 3000, Los Angeles, CA 90071.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreements. *See* D.I. 791.

## **BACKGROUND**

### **A. General Background**

2. On December 19, 2012 (the “Petition Date”), THQI and certain of its wholly owned subsidiaries (the “Debtors”) each filed a petition for relief under the Bankruptcy Code with this Court.

3. Additional information regarding the events leading up to the Petition Date is set forth in the *Declaration of Brian Farrell in Support of the Debtors’ Chapter 11 Petitions and Requests for First Day Relief* [D.I. 2].

4. On July 16, 2013, the Debtors filed the *Second Amended Chapter 11 Plan of Liquidation of THQ Inc. and its Affiliated Debtors* [D.I. 925] (the “Plan”). On July 17, 2013, the Court entered an *Order Confirming Second Amended Chapter 11 Plan of Liquidation of THQ Inc. and its Affiliated Debtors* [D.I. 929] (the “Confirmation Order”). The Plan became effective on August 2, 2013 (the “Effective Date”) [D.I. 1029].

5. Under the Plan, THQI was preserved and reorganized for the purpose of liquidating the Debtors’ remaining assets, resolving the claims asserted against the Debtors, and distributing the Debtors’ assets to the Debtors’ creditors and, if there was a surplus, to the Stock Trust.

6. THQI has substantially completed winding down the affairs of the Debtors. This has included pursuing and completing litigation actions, reconciling and resolving claim amounts, and winding down its foreign subsidiaries. As noted in the most recent *Status Report of THQ Inc. with respect to Wind-Down of THQ Inc.’s Foreign Subsidiaries, Causes of Action and Derivative Claims, Resolution of Claims and Implementation of Plan* [D.I. 1798] (the “Status Report”), to date, THQ has made distributions on account of allowed general unsecured claims equaling approximately 56% of the aggregate unsecured claim amount. See Status Report ¶ 5. In addition,

during the past year, THQI has completed the liquidations of THQ International GmbH, a Swiss company (“TIG”) and THQ Software Development (Shanghai) Co., Ltd. (“THQ China”). As a result, all of THQI’s foreign subsidiaries have been fully liquidated under the laws of the relevant jurisdiction as described in the Status Report. *See id.* ¶ 10.

7. Following the finalized liquidation of the foreign subsidiaries, THQI is no longer required to hold liquidity reserves for such entities. *See id.* In addition to receipt of the previously reserved funds, THQI anticipates an additional approximately \$396,000 tax refund to be received sometime during 2020 (though the receipt and amount of such refund cannot be guaranteed).

**B. Specific Background Regarding Extension of the Litigation Trust and Stock Trust**

8. The Litigation Trust was created for the purposes of: (a) administering, holding, and liquidating Derivative Actions; and (b) administering, investigating, prosecuting, settling, and abandoning all Derivative Actions in the name of, and for the benefit of, the Estates, subject to the limitations set forth in the Plan. Litigation Trust Agreement, § 2.1. Section 2.7 of the Litigation Trust Agreement provides, in relevant part, “the Litigation Trust shall be dissolved no later than five (5) years from the Effective Date, unless the Bankruptcy Court, upon motion made prior to such fifth (5th) anniversary, determines that an extension for a fixed period of not more than (3) years (including any prior extensions) is necessary for the purposes for which the Litigation Trust was formed.” *Id.* at 2.7; *see also* Plan, § 6.14(i).

9. The Stock Trust was created for the purpose of holding the sole outstanding share of stock in THQI in the name of, and for the benefit of, the Holders of Allowed Equity Interests and Allowed Securities Law Claims. Stock Trust Agreement, § 2.1. Section 2.7 of the Trust Agreement provides, in relevant part, “the Stock Trust shall be dissolved no later than five (5) years from the Effective Date, unless the Bankruptcy Court, upon motion made prior to such fifth

(5th) anniversary, determines that an extension for a fixed period of not more than (3) years (including any prior extensions) is necessary for the purposes for which the Stock Trust was formed.” *Id.* at § 2.7; *see also* Plan, § 6.13(h).

10. Pursuant to orders of the Court [D.I. 1756 & 1777], the terms of the Litigation Trust and Stock Trust have been extended through and including July 31, 2020 (the “Trust Expiration Date”).

11. Additional information regarding the Agreements is set forth in the Litigation Trust Agreement and Stock Trust Agreement. *See Notice of Filing of Additional Plan Supplement Documents* [D.I. 791].

12. As set forth above, while the liquidation of the Debtors’ assets is substantially complete, THQI anticipates receiving a tax refund sometime during 2020 that will be part of the funds available for final distribution. While THQI is aggressively pursuing receipt of the tax refund so that a final distribution can be made as soon as practical thereafter, such final distribution will not be complete when the Trust Expiration Date currently is scheduled to occur. As a result, the Liquidation Trustee and Stock Trustee have determined that an extension of the terms of the Litigation Trust and Stock Trust is required to ensure that the terms of the Litigation Trust and Stock Trust do not expire prior to THQI’s receipt of the tax refund and execution of a final distribution to creditors.

### **RELIEF REQUESTED**

13. By this Motion, THQI seeks entry of an order, substantially in the form attached hereto as **Exhibit A**, extending the terms of the Litigation Trust and Stock Trust from July 31, 2020, through and including July 30, 2021. THQI believes that the extended terms will provide

sufficient time for THQI to receive the anticipated additional funds and execute a final distribution to creditors.

**BASIS FOR RELIEF REQUESTED**

14. Section 2.7 of the Litigation Trust Agreement and Section 2.7 of the Stock Trust Agreement expressly provide that the Court may extend the terms of the Litigation Trust and Stock Trust. Furthermore, section 105(a) of the Bankruptcy Code provides: “The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

15. The Debtors do not anticipate receiving the tax refund and executing a final distribution before the Litigation Trust and Stock Trust currently are set to expire. THQI, therefore, requests that the terms of the Litigation Trust and Stock Trust be extended for an additional year to allow the Stock Trustee and Litigation Trustee to pursue the tax refund and make the necessary distributions. THQI reserves the right to seek further extensions if the circumstances so warrant.

16. For the reasons set forth herein, THQI respectfully requests entry of an order extending the terms of the Liquidation Trust and Stock Trust through and including July 30, 2021, in accordance with Section 2.7 of the Litigation Trust Agreement and Section 2.7 of the Stock Trust Agreement.

**NOTICE**

17. THQI will provide notice of this Motion to (i) the U.S. Trustee and (ii) all parties who have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, THQI submits that no other or further notice is necessary.

WHEREFORE, THQI respectfully requests that the Court grant the relief requested herein, in substantially the form of order attached hereto as Exhibit A, and such other and further relief as may be just and proper.

Dated: July 17, 2020  
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Jaime Luton Chapman

Michael R. Nestor (Bar No. 3526) (mnestor@ycst.com)  
M. Blake Cleary (Bar No. 3614) (mbcleary@ycst.com)  
Jaime Luton Chapman (No. 4936) (jchapman@ycst.com)  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253

-and-

Oscar Garza (Ca No. 149790)  
Jeffrey C. Krause (Ca No. 94053)  
GIBSON, DUNN & CRUTCHER LLP  
333 South Grand Avenue  
Los Angeles, California 90071-1512  
Telephone: (213) 229-7000  
Facsimile: (213) 229-7520

*Counsel to THQ Inc.*



**EXHIBIT A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|                      |   |                         |
|----------------------|---|-------------------------|
| -----                | X |                         |
| In re:               | : | Chapter 11              |
|                      | : |                         |
| THQ INC.,            | : | Case No. 12-13398 (MFW) |
|                      | : |                         |
| Debtor. <sup>1</sup> | : | Ref. Docket No. ____    |
| -----                | X |                         |

**ORDER AUTHORIZING EXTENSION OF THE TERMS  
OF THE LITIGATION TRUST AND STOCK TRUST**

Upon the motion (the “Motion”)<sup>2</sup> of THQ, Inc. for an order extending the terms of the Litigation Trust and Stock Trust through and including July 30, 2021; and this Court being satisfied that the relief requested in the Motion, in accordance with the continuing jurisdiction of the Bankruptcy Court, is in the best interests of the Debtor, its estate and creditors, and all parties in interest; and due notice of the Motion having been given; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY ORDERED THAT:**

1. In accordance with section 2.7 of the Litigation Trust Agreement, the term of the Litigation Trust is hereby extended through and including July 30, 2021.
2. In accordance with section 2.7 of the Stock Trust Agreement, the term of the Stock Trust is hereby extended through and including July 30, 2021.

---

<sup>1</sup> The Debtor in this proceeding, along with the last four digits of its taxpayer identification number, is THQ Inc. (1686). The Debtor’s current mailing address is c/o FTI Consulting, 350 South Grand Avenue, Suite 3000, Los Angeles, CA 90071.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

3. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.