

EXHIBIT 1

Bid Procedures Order

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

In re:

THQ Inc. et al.,¹

Debtors.

Chapter 11

Case No. 12-13398 (MFW)

Jointly Administered

RE: Docket No. _____

**ORDER APPROVING AND AUTHORIZING (A) BIDDING
PROCEDURES IN CONNECTION WITH THE SALE OF
SUBSTANTIALLY ALL OF THE OPERATING ASSETS OF THE DEBTORS,
(B) STALKING HORSE BID PROTECTIONS, (C) FORM AND
MANNER OF NOTICE OF THE SALE HEARING AND (D) RELATED RELIEF**

Upon the portion of the motion (the “**Motion**”)² of THQ Inc. and its affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), for entry of an order (the “**Order**”) approving and authorizing (a) bidding procedures in connection with the sale of substantially all of the assets of the Debtors, (b) stalking horse bid protections, (c) the form and manner of notice of the sale hearing, and (d) other related relief, pursuant to sections 105(a), 363, 365, 503, 507 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rules [2002-1, 6004-1 and 9006-1(b)] of the Local Bankruptcy Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”); and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: 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.

² All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Motion.

Delaware dated as of February 29, 2012; and this Court having found that the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 8 U.S.C §§ 1408 and 1409; and a hearing having been held (the “**Bidding Procedures Hearing**”); and this Court having reviewed the Motion and the exhibits thereto and the arguments of counsel made and the evidence proffered or adduced, as applicable, at the Bidding Procedures Hearing; and this Court having determined that the legal and factual bases set forth in the Motion and at the Bidding Procedures Hearing establish just cause for the relief granted herein; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and this Court having found the form and manner of notice of the Bidding Procedures Hearing is good, sufficient and appropriate under the circumstances and that no other or further notice need be provided or is necessary; and after due deliberation and sufficient cause appearing therefor, this Court **FINDS AND DETERMINES THAT:**³

A. **Bidding Procedures.** The Debtors have articulated good and sufficient reasons for authorizing and approving the Bidding Procedures attached as Exhibit 1 hereto (the “**Bidding Procedures**”), which are fair, reasonable and appropriate under the circumstances and represent the best method for maximizing the recovery on, and realizable value of, the Acquired Assets.

B. **Break-Up Fee and Expense Reimbursement Amount.** The Break-Up Fee and Expense Reimbursement Amount (referred to herein as the “**Bid Protections**”): (i) shall, if triggered, be deemed an actual and necessary cost and expense of preserving the Debtors’ estates, within the meaning of sections 503 and 507(b) of the Bankruptcy Code; (ii) are of

³ The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

substantial benefit to the Debtors' estates; (iii) are reasonable and appropriate, including in light of the size and nature of the Sale and the efforts that have been or will be expended by the Stalking Horse Bidder notwithstanding that the proposed Sale is subject to higher and better offers for the Debtors' Assets; (iv) were negotiated by the parties at arms'-length and in good faith; (v) were material inducements for, and express conditions of, the Stalking Horse Bidder's willingness to enter into the Stalking Horse Agreement; and (vi) are necessary to ensure that the Stalking Horse Bidder will continue to pursue its proposed acquisition of the Debtors' Assets. The Bid Protections are commensurate with the real and substantial post-petition benefits conferred upon the Debtors' estates by the Stalking Horse Bidder and constitute actual and necessary costs and expenses incurred by the Debtors in preserving the value of their estates within the meaning of section 503(b) of the Bankruptcy Code.

C. **Assumption Procedures.** The Motion, this Order, and the assumption and assignment procedures set forth herein are reasonably calculated to provide counterparties to the Assigned Contracts with proper notice of the intended assumption and assignment of their executory contracts or unexpired leases, any Cure Amounts relating thereto and the assumption and assignment procedures.

D. **Sale Notice.** The Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the date, time and place of the Auction (if one is held); (ii) the Bidding Procedures and the dates and deadlines related thereto; (iii) the objection deadline for the sale motion and the date, time and place of the Sale Hearing; (iv) reasonably specific identification of the Acquired Assets; (v) instructions for promptly obtaining a copy of the asset purchase agreement (the "APA"); (vi) representations describing the Sale as being free and clear of liens, claims, interests and

other encumbrances, with all such liens, claims, interests and other encumbrances attaching with the same validity and priority to the sale proceeds; (vi) the commitment by the Stalking Horse Bidder (or another Successful Bidder arising from the Auction, if any) to assume certain liabilities of the Debtors; and (vii) notice of the proposed assumption and assignment of contracts and leases to the Stalking Horse Bidder pursuant to the Stalking Horse Agreement (or to another Successful Bidder arising from the Auction, if any), the proposed cure amounts relating thereto and the right, procedures and deadlines for objecting thereto, and no other or further notice of the Sale shall be required.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted to the extent set forth herein.
2. All objections to the relief requested in the Motion that have not been withdrawn, waived or settled as announced to the Court at the hearing on the Motion or by stipulation filed with the Court, are overruled.

I. Important Dates and Deadlines

3. **Sale Hearing**. January __, 2013, at __:00 __.m. prevailing Eastern Time, is the date and time the sale hearing (the “**Sale Hearing**”) will be held before the Honorable Judge [____], United States Bankruptcy Judge for the Bankruptcy Court for the District of Delaware. At the Sale Hearing, the Debtors will seek the entry of an order of this Court approving and authorizing the Sale to the Stalking Horse Bidder or the Successful Bidder (if other than the Stalking Horse Bidder), as applicable. Any obligations of the Debtors set forth in the asset purchase agreement that are intended to be performed prior to the Sale Hearing and/or entry of the Sale Order pursuant to the asset purchase agreement are authorized as set forth herein and are fully enforceable as of the date of entry of this Order. **Please take notice that:** the Sale Hearing (or any portion thereof) may be adjourned by this Court or the Debtors from time to time without

further notice other than by announcement in open court, on this Court’s calendar or through the filing of a notice or other document on this Court’s docket.

4. **Sale Objection Deadline.** January __, 2013 at 4:00 p.m. (prevailing Eastern Time), is the deadline to object to the relief requested in the Motion, including entry of the proposed Sale Order (the “**Sale Objection Deadline**”). Objections, if any, **must:** (i) be in writing; (ii) conform to the applicable provisions of the Bankruptcy Rules and the Local Rules; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with this Court and served so *actually received* no later than the Sale Objection Deadline by (A) all parties that have requested or that are required to receive notice pursuant to Bankruptcy Rule 2002 and (B) the following parties (the “**Notice Parties**”):

Debtors	Counsel to Debtors
<p style="text-align: center;">THQ Inc. 29903 Agoura Road Agoura Hills, CA 91301 Attn: Ed Kaufman Email: Ed.Kaufman@THQ.com</p>	<p style="text-align: center;">Gibson Dunn & Crutcher, LLP 333 South Grand Avenue Los Angeles, CA 90071-3197 Attn: Jeffrey C. Krause, Esq. Email: jkrause@gibsondunn.com -and- Young Conaway Stargatt & Taylor, LLP 1000 North King Street Wilmington, DE 19801 Attn: Michael R. Nestor (mnestor@ycst.com) and M. Blake Cleary (mbcleary@ycst.com)</p>
Counsel to the DIP Lenders	United States Trustee
<p style="text-align: center;">DLA Piper LLP (US) 1251 Avenue of the Americas New York, NY 10020 Attn: Gregg M. Galardi Facsimile: 212.884.8540 -and- DLA Piper LLP (US) 203 North LaSalle Street, Suite 1900 Chicago, IL 60601 Attn: Matt Murphy Facsimile: 312.251.2177</p>	<p style="text-align: center;">Office of the United States Trustee for the District of Delaware 844 King Street Suite 2207, Lockbox 35 Attn: Jane M. Leamy</p>

Notwithstanding anything to the contrary in this paragraph 4, the Sale Objection Deadline may be extended by the Debtors in consultation with the Stalking Horse Bidder.

5. **The failure to timely file an objection in accordance with this Order shall forever bar the assertion of any objection to the Motion, entry of the Sale Order and/or consummation of the Sale, including the assumption and assignment of contracts and leases to the Successful Bidder pursuant to the asset purchase agreement, and shall be deemed to constitute any such party's consent to entry of the Sale Order and consummation of the Sale and all transactions related thereto.**

6. **Reply Deadline.** January __, 2013 at __:__.m. (prevailing Eastern Time), is the deadline for the Debtors, the Stalking Horse Bidder and other parties in interest to file replies to any timely-filed objection to entry of the Sale Order with this Court; *provided*, that such deadline may be extended by agreement of the Debtors and the affected objecting party.

7. **Competitive Bidding.** The following dates and deadlines regarding competitive bidding are hereby established (subject to modification as needed):

- a. **Bid Deadline:** January 8, 2013 at 5:00 p.m. (prevailing Eastern Time), is the deadline by which all "Qualified Bids" (as defined in the Bidding Procedures) must be *actually received* by the parties specified in the Bidding Procedures (the "**Bid Deadline**"); and
- b. **Auction:** January 9, 2013 at 10:00 a.m. (prevailing Eastern Time), is the date and time of the Auction, if one is needed, will be held at the offices of counsel to the Debtors: Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19810.

II. **Bidding Procedures and Related Relief**

8. The Bidding Procedures, substantially in the form annexed hereto as Exhibit 1 and incorporated by reference as though fully set forth herein, are hereby approved in their entirety. The Bidding Procedures shall govern the submission, receipt and analysis of all bids

relating to the proposed Sale, and any party desiring to submit a higher or better offer for the Acquired Assets shall do so strictly in accordance with the terms of the Bidding Procedures and this Order. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bidding Procedures.

9. With the exception of the Stalking Horse Bidder, no person or entity shall, pursuant to the Bidding Procedures or otherwise, be entitled to any expense reimbursement, break-up fees, "topping," termination or other similar fee or payment in connection with the sale of the Acquired Assets pursuant to the terms of this Order.

10. As described in the Bidding Procedures, if the Debtors do not receive any Qualified Bids other than from the Stalking Horse Bidder, the Debtors will not hold the Auction, the Stalking Horse Bidder will be named the Successful Bidder and the Debtors will seek approval of the Stalking Horse Agreement at the Sale Hearing. If one or more Qualified Bids is timely received from a Qualified Bidder (other than the Stalking Horse Bidder) in accordance with the Bidding Procedures, the Debtors shall conduct the Auction as set forth herein.

11. If the Auction is conducted, each Qualified Bidder participating in the Auction shall be required to confirm that it has not engaged in any collusion with respect to the bidding process or the Sale, the Auction will be conducted openly and the Auction shall be transcribed or videotaped.

12. If the Stalking Horse Bidder has a secured claim at the time of the Auction, the Stalking Horse Bidder is authorized to make one or more credit bids at the Auction equal to any or all of the Stalking Horse Bidder's secured claims to the full extent permitted by Section 363(k) of the Bankruptcy Code.

III. Bid Protections

13. The Bid Protections are approved on the terms set forth in the Stalking Horse Agreement. The Debtors are hereby authorized to pay any and all amounts owing to the Stalking Horse Bidder on account of the Bid Protections in accordance with the terms of the Stalking Horse Agreement without further action or order by the Court.

14. The Bid Protections (if payable under the Stalking Horse Agreement in accordance with its terms) shall be allowed superpriority administrative expense claims in the Debtors' chapter 11 cases pursuant to sections 503(b)(1) and 507(a)(2) senior to all other administrative expenses claims.

IV. Assumption and Assignment Procedures

15. The following procedures regarding the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale are hereby approved to the extent set forth herein, and shall govern the assumption and assignment of all executory contracts and unexpired leases proposed to be assumed by the Debtors pursuant to Section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder (or other Successful Bidder following the Auction, if any) pursuant to Section 365(f) of the Bankruptcy Code under the Stalking Horse Agreement (collectively, the "**Assigned Contracts**"):

- a. **Designation Deadline.** At any time at least five (5) Business Days prior to the Sale Hearing, each Qualified Buyer, in its discretion by written notice to the Debtors, may (a) exclude from being assigned any Contracts or Leases, and such Contracts or Leases shall not constitute Assumed Contracts or Assumed Leases, and the Successful Bidder shall not acquire any rights or assume any Liabilities with respect thereto, and (b) add any Contracts or Leases as assigned Contracts or Leases, and such Contracts or Leases shall constitute Assumed Contracts or Assumed Leases.
- b. **Notices for Assigned Contracts.** As soon as practicable, the Debtors shall serve on all non-Debtor counterparties to any Contract or Lease (the "**Contract Notice Parties**") that the Stalking Horse Bidder has indicated it intends to have assumed by the Debtors and assigned to the Successful Bidder, a "**Contract Notice**" in the

form attached hereto as Exhibit 2 that identifies, to the extent applicable (a) the Contract or Lease that may be an Assigned Contract, (b) the name of the counterparty to such Contract or Lease, (c) any applicable cure amount for such Contract or Lease if it becomes an Assigned Contract, and (d) the deadline by which any such Contract or Lease counterparty must file a “**Contract Objection**” to the proposed assumption and assignment; *provided, however*, that the presence of a Contract or Lease on a Contract Notice does not constitute an admission that such Contract or Lease is an executory contract and does not bar any Qualified Bidder from removing any such Contract or Lease from its list of Contracts and Leases to be assumed and assigned. As soon as practicable after the conclusion of the Auction, the Debtors shall file with the Court and serve on the Contract Notice Parties party to an Assigned Contract identified by the Successful Bidder a further notice in the form attached hereto as Exhibit 3 (the “**Assumption Notice**”) identifying the Successful Bidder and stating which Contracts or Leases will be Assigned Contracts, and no other or further notice will be required with respect to the Assigned Contracts. If the Successful Bidder designates any additional Contracts or Leases during the period between the Auction and the Sale Hearing pursuant to subsection (a) above, the Debtors shall file with the Court and serve on such additionally affected Contract Notice Parties a revised Assumption Notice. The Contract Notice, substantially in the form attached hereto as Exhibit 2, is hereby approved. The Assumption Notice, substantially in the form attached hereto as Exhibit 3, is hereby approved.

- c. **Objections to Assumption of Contracts.** For all non-Debtor counterparties to an Assigned Contract served a Contract Notice in accordance with this Order more than ten (10) days prior to the Sale Hearing, to which no Contract Objection was timely filed within ten (10) days after mailing of the Contract Notice, the counterparty to such Assigned Contract shall be deemed to have waived and released any right to assert an objection to the assumption and assignment of such Assigned Contract and to have otherwise consented to such assumption and assignment and cure amount, and the assignment will be deemed effective in accordance with the Sale Order. For all non-Debtor counterparties to an Assigned Contract served with a Contract Notice fourteen (14) days or less prior to the Sale Hearing, if a timely filed Contract Objection is not received at or prior to the Sale Hearing, the counterparty to such Assigned Contract shall be deemed to have waived and released any right to assert an objection to the assignment and assumption of such Assigned Contract and to have otherwise consented to such assumption and assignment and cure amount, and the assignment will be deemed effective in accordance with the Sale Order. If any counterparty timely files a Contract Objection that cannot be resolved by the Debtors and the counterparty, the Court shall resolve such Contract Objection prior to assumption and assignment of such designated Contract or Lease, and upon entry of an order by the Court resolving such Contract Objection, the assignment shall be deemed effective in accordance with the Sale Order.

16. Any party failing to timely file a Contract Objection shall be forever barred and estopped from objecting thereto, including asserting against the Debtors or any of the Debtors' estates, the Stalking Horse Bidder or other Successful Bidder that any additional cure or default amounts are due or conditions to assumption and assignment must be satisfied under such executory contract(s) or unexpired lease(s) and shall be deemed to consent to the assumption and assignment of such executory contract(s) or unexpired lease(s) effectuated in connection therewith.

17. A properly filed and served Contract Objection will reserve such objecting party's rights against the Debtors with respect to the relevant cure objection, but will not constitute an objection to the remaining relief requested in the Motion.

V. Sale Hearing Notice and Related Relief

18. The Sale Notice, substantially in the form annexed hereto as Exhibit 4, is hereby approved. Within one (1) business day of the filing of the Motion, the Debtors caused the Sale Notice to be served upon, without limitation, [(i) the U.S. Trustee; (ii) counsel to any statutory committee of unsecured creditors appointed in these cases; (iii) counsel to the DIP Lenders; (iv) the attorneys general for each of the States in which the Debtors conduct operations; (v) all taxing authorities having jurisdiction over any of the Acquired Assets, including the Internal Revenue Service; (vi) the Environmental Protection Agency; (vii) all parties that have requested or that are required to receive notice pursuant to Bankruptcy Rule 2002; (viii) all parties that are known or reasonably believed to have expressed an interest in acquiring all or a substantial portion of the Acquired Assets; (ix) all parties that are known or reasonably believed to have asserted any lien, encumbrance, claim or other interest in the Acquired Assets; (x) all governmental agencies that are an interested party with respect to the Sale and transactions

proposed thereunder; (xi) all non-Debtor parties to the Assumed Agreements and (xii) all other known creditors of the Debtors.

19. Within two (2) business days of the entry of this Order, the Debtors shall cause a notice of the hearing date established by this Court in this Order to be served on those parties entitled to notice pursuant to paragraph 18, above.

20. Within two (2) business days of the filing of this Motion, the Debtors caused the Sale Notice to be published once in USA Today, and such publication notice shall be deemed proper notice to any other interested parties whose identities are unknown to the Debtors.

21. Compliance with the foregoing notice provisions shall constitute sufficient notice to all parties in interest, including those whose identities are unknown to the Debtors, of the Sale of the Acquired Assets, the contemplated assumption and assignment of the Assumed Agreements and the cure amounts, and no additional notice of such contemplated transactions need be given.

VI. Miscellaneous

22. The Debtors are authorized to execute and deliver all instruments and documents, and take such other action as may be necessary or appropriate to implement and effectuate the transactions contemplated by this Order.

23. The Court finds that the requirements set forth in Local Rules [6004-1 and 9013-1] are hereby satisfied or waived.

24. Notwithstanding any applicability of Bankruptcy Rule 6004(h), 6006(d), 7062 or 9014, the terms and conditions of this Order shall be immediately effective and enforceable upon entry of this Order. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

25. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from, based upon or related to this Order.

Date: _____
Wilmington, Delaware

United States Bankruptcy Judge

EXHIBIT 1

Bidding Procedures

SUBJECT TO APPROVAL OF THE BANKRUPTCY COURT

BIDDING PROCEDURES

Set forth below are the bidding procedures (the “**Bidding Procedures**”) to be employed with respect to the potential sale (the “**Sale**”) of substantially all of the assets (the “**Assets**”) of THQ Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”), in jointly administered Case No. 12-13398 under chapter 11 of the Bankruptcy Code pending in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”). Pursuant to the Bidding Procedures Order (defined below), the Bankruptcy Court has approved Clearlake Capital, LLP, the “**Buyer**” or its assignee(s) or designee(s) as the stalking horse bidder (the “**Stalking Horse Bidder**”) for the Assets as set forth more fully in that certain Asset Purchase Agreement among Buyer and the Debtors, dated as of December 19, 2012 (the “**Stalking Horse Agreement**”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Stalking Horse Agreement.

On December 19, 2012, the Debtors filed a motion pursuant to 11 U.S.C. §§ 105(A), 363, 365, 503, and 507 and Federal Bankruptcy Rules 2002, 6004, 6006, and 9014: (a) approving and authorizing (i) bidding procedures in connection with the sale of substantially all of the assets of the Debtors; (ii) stalking horse bid protections; (iii) form and manner of notice of the sale hearing and (iv) related relief; and (b) (i) authorizing and approving the sale of substantially all of the Debtors’ assets free and clear of all liens, claims, and encumbrances; (ii) approving the Stalking Horse Agreement; (iii) authorizing and approving the assumption and assignment of executory contracts and unexpired leases identified by the Successful Bidder (defined below); and (iv) related relief. On [____], 2012 the Bankruptcy Court entered an order approving the Bidding Procedures set forth herein (the “**Bidding Procedures Order**”). The Bidding Procedures Order also set January 10, 2013 as the date the Bankruptcy Court will conduct the Sale Hearing (as defined below). At the Sale Hearing, the Debtors will seek entry of an order from the Bankruptcy Court authorizing and approving the Sale of the Assets to the Stalking Horse Bidder or another Qualified Bidder (as defined below) that the Debtors determine to have made the highest or best offer for the Assets.

Asset Purchase Agreement

On December 19, 2012, the Debtors entered into the Stalking Horse Agreement pursuant to which the Stalking Horse Bidder proposes to acquire all right, title and interest of Debtors in, to or under substantially all of the properties and assets (including Intellectual Property) of Sellers of every kind and description, wherever located, real, personal or mixed, tangible or intangible, to the extent owned, leased, licensed, used or held for use in or relating to the Business, as the same shall exist on the Closing Date (but, for the avoidance of doubt, excluding any Excluded Assets as defined in the Stalking Horse Agreement. The “**Acquired Assets**” shall be as set forth in the Stalking Horse Agreement.

Pursuant to the Stalking Horse Agreement, the Stalking Horse Bidder will provide the Debtors with consideration for the Acquired Assets in the aggregate amount of at least \$2.75 million dollars (\$2,750,000), as detailed in the Stalking Horse Agreement. In accordance

with the Stalking Horse Agreement and as approved by the Bankruptcy Court in the Bidding Procedures Order, Buyer has been authorized to receive a break-up fee and an expense reimbursement in the amount of \$1.75 million and \$500,000, respectively (the “**Bid Protections**”), in order to provide an incentive and compensate the Buyer for serving as the Stalking Horse Bidder and entering into the Stalking Horse Agreement with the knowledge and risk that arises from its participating in the Sale and subsequent bidding process, absent which the Buyer would not have entered into the Stalking Horse Agreement. The Bid Protections shall be payable on the terms and conditions set forth in the Stalking Horse Agreement and the Bidding Procedures Order. The transaction contemplated by the Stalking Horse Agreement is subject to competitive bidding as set forth herein, and approval by the Bankruptcy Court pursuant to Bankruptcy Code sections 363 and 365.

Assets to be Sold

The Debtors are offering for sale all or substantially all of the Assets of THQ Inc. and its affiliated debtors and debtors in possession in Chapter 11 cases pending in the Bankruptcy Court (the “**Debtors**”), other than the Excluded Assets.

Bid Deadline

All offers, solicitations, or proposals (each, a “**Bid**”) must be submitted in writing so that they are actually **received** no later than 5:00 p.m. (Eastern Time) on January 15, 2013 (the “**Bid Deadline**”). To properly submit a Bid, a Qualified Bidder (as defined below) must deliver written copies of its Bid to the following parties (collectively, the “**Notice Parties**”): (a) counsel to Debtors, Gibson Dunn, 333 South Grand Avenue, Los Angeles, CA 90071-3197 (Attn: Jeffrey C. Krause, Esq.) email: jkrause@gibsondunn.com and Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor mnestor@ycst.com and M. Blake Cleary mbleary@ycst.com); (b) the Debtors, c/o THQ Inc., 29903 Agoura Road, Agoura Hills, CA 91301 (Attn: Ed Kaufman) email: Ed.Kaufman@THQ.com; (c) counsel to the DIP Lenders, DLA Piper LLP (US), 1251 Avenue of the Americas, New York, NY 10020 (Attn: Gregg M. Galardi, Esq.) email: gregg.galardi@dlapiper.com, and 203 North LaSalle Street, Suite 1900, Chicago, IL 60601 (Attn: Matt Murphy, Esq.) email: matt.murphy@dlapiper.com; (d) Centerview Partners LLC, 31 W. 52nd Street, New York, NY 10019 (Attn: Karn Chopra) email: kchopra@centerviewpartners.com; and (e) counsel to any statutory committee of unsecured creditors appointed in these cases, by the Bid Deadline. A Bid delivered after the Bid Deadline shall not constitute a Qualified Bid.

Participant Requirements

To participate in the process detailed by the Bidding Procedures and to otherwise be considered for any purpose hereunder, each Bid and each bidder submitting a Bid (a “**Bidder**”) must be determined by the Debtors to have satisfactorily provided the Debtors with each of the following (unless such requirement other than the “Confidentiality Agreement” requirement set forth in clause (c) below is waived by the Debtors) on or before the Bid Deadline (the “**Participant Requirements**”):

- (a) Identification of Bidder. Identification of the Bidder and/or any of the Principals (defined below), corporate officers or other representatives that are authorized to appear for and act on behalf of the Bidder with respect to the contemplated transaction;
- (b) Corporate Authority. Written evidence of the Bidder's authority to enter into the contemplated transaction and submit a Bid as well as the Bidder's acknowledgement and acceptance of the terms set forth in the Bidding Procedures. In the event that the Bidder is an entity specially formed for the purpose of effectuating the contemplated transaction (an "**Acquisition Entity**"), then the Bidder must furnish written evidence reasonably acceptable to the Debtors of the approval of the contemplated transaction by the equity holder(s) or members of such Bidder (the "**Principals**");
- (c) Confidentiality Agreement. An executed confidentiality agreement (the "**Confidentiality Agreement**") in form and substance acceptable to the Debtors and their counsel; and
- (d) Proof of Financial Ability to Perform. Written evidence that the Bidder has the necessary financial ability to close the contemplated transaction and provide adequate assurance of future performance of all obligations to be assumed in such contemplated transaction, reasonably acceptable to the Debtors. Such information may include, among other things, the following:
 - (i) the Bidder's or, in the case of an Acquisition Entity, the Principals', current financial statements (audited if they exist);
 - (ii) contact names and numbers for verification of financing sources;
 - (iii) evidence of the Bidder's or Principals' internal resources and written evidence of a commitment for debt or equity funding that is needed to close the contemplated transaction; and
 - (iv) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors demonstrating that such Bidder has the ability to close the contemplated transaction; *provided, however*, that the Debtors shall determine, in their reasonable discretion, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Bidder's financial qualifications.

Designation as Qualified Bidder

A "**Qualified Bidder**" is a Bidder that satisfies the Participant Requirements and that the Debtors determine has submitted by the Bid Deadline a bona fide offer that would result in greater value than the value that the Debtors would receive under the Stalking Horse Agreement and be able to consummate a sale if selected as a Successful Bidder (defined below).

As soon as practicable after the Debtors receive the information required under paragraphs (a) through (d) above from a Bidder, the Debtors shall determine whether the Bidder is a Qualified Bidder and advise the Bidder of such determination. The Stalking Horse Bidder is deemed a Qualified Bidder for all purposes.

Access to Due Diligence Materials

The Debtors reserve the right not to provide due diligence access to any Bidder that the Debtors conclude in their reasonable business judgment is not likely to become a Qualified Bidder. The Debtors will designate an employee or other representative to coordinate all reasonable requests for additional information and due diligence access from such Qualified Bidders. The Debtors shall not be obligated to furnish any due diligence information after the Bid Deadline. The Debtors are not responsible for, and will bear no liability with respect to, any information obtained by Bidders in connection with the sale of the Acquired Assets. If the Debtors furnish any material information related to the Debtors not theretofore given to the Stalking Horse Bidder, then the Debtors shall place such information in one of the data rooms. Notwithstanding anything herein to the contrary, the Debtors reserve the right to withhold information or restrict access to certain materials in any data room if providing such information or materials to a Qualified Bidder would, in the Debtors' business judgment, put the Debtors at a competitive disadvantage.

Due Diligence From Bidders

Each Bidder shall comply with all reasonable requests for information from the Debtors regarding such Bidder and its contemplated transaction. Failure by a Bidder to provide such information will be a basis for the Debtors to deem that Bidder not to be a Qualified Bidder and to prohibit that Bidder from participating in any Auction.

Bidding Process

The Debtors shall: (a) determine whether a Bidder is a Qualified Bidder; (b) coordinate the efforts of Bidders in conducting their due diligence investigations, as permitted by the provisions herein; (c) receive offers from Qualified Bidders; and (d) negotiate any offers made to purchase the Assets. Subject to the Bidding Procedures Order, the Debtors shall have the right to adopt such other rules for the Bidding Procedures (including rules that may depart from those set forth herein), that, in the Debtors' reasonable discretion, will better promote the goals of the Bidding Procedures. With respect to all material decisions that the Debtors have the power to make under these Bid Procedures, the Debtors will confer with the Official Committee of Unsecured Creditors with respect to any such decision.

Bid Requirements

To participate in the Auction (as defined below), a Qualified Bidder must submit a Bid by the Bid Deadline that the Debtors determine satisfy each of the following conditions (each such Bid, a "Qualified Bid"):

- (a) Written Submission of APA and Commitment to Close. Each Bid must be in writing and include: (i) a purchase agreement signed by the Qualified Bidder;

- (ii) a blackline reflecting the Qualified Bidder's proposed changes to the Stalking Horse Agreement, and (iii) a written commitment demonstrating that the Qualified Bidder will be able to close the transaction proposed in its purchase agreement on the terms and conditions set forth therein;
- (b) Identification of Executory Contracts and Leases to be Assumed. Each Bid must include a comprehensive list of all executory contracts and leases that they seek to have assumed and assigned to the Qualified Bidder;
- (c) Irrevocable. Each Bid must be irrevocable until five (5) business days after the Assets have been sold pursuant to the closing of the sale approved by the Bankruptcy Court in a final, non-appealable order (the "**Termination Date**") unless such Bid is designated as the Back-Up Bid (defined below);
- (d) Contingencies. No Bid may be conditioned on obtaining financing, regulatory contingencies (other than on the condition that any applicable waiting period under The Hart-Scott-Rodino Antitrust Improvements Act of 1976 (Public Law 94-435) be satisfied, which may occur subsequent to the Bid Deadline), any internal approval or on the outcome or review of due diligence;
- (e) Financing Sources. Each Bid must contain written evidence of a firm commitment for financing or other evidence of the financial wherewithal of such Qualified Bidder that the Debtors and the DIP Lenders reasonably believe provides the ability to consummate the sale and satisfy the standards to provide adequate assurance of future performance under Bankruptcy Code Section 365, with appropriate contact information for such financing sources;
- (f) No Fees Payable to Qualified Bidder. With the exception of the Bid submitted by the Stalking Horse Bidder, no Bid may request or entitle the Qualified Bidder to any break-up fee, expense reimbursement fee or similar type of payment. Further, by submitting a Bid, a Qualified Bidder shall be deemed to waive its right to pursue a substantial contribution claim under Section 503 of the Bankruptcy Code or in any way related to the submission of its Bid or the Bidding Procedures;
- (g) Good-Faith Deposit. Each Bid must be accompanied by a deposit (the "**Good Faith Deposit**") in the form of a certified check or cash payable to the order of THQ Inc. in the amount of not less than 10 percent (10%) of the stated cash purchase price in the Bid to be held in escrow until the Termination Date;
- (h) Minimum Initial Overbid. Each Bid must offer to the Debtors aggregate cash consideration of at least \$2.75 million more than the cash component of the "Purchase Price" offered by Clearlake as defined in the Asset Purchase Agreement and satisfaction or waiver of claims under the DIP Credit Facility and must provide greater at least \$2.75 million greater aggregate value than the Clearlake aggregate bid, including Assumed Liabilities and the \$10 million note (the "**Minimum Initial Overbid**"); and

- (i) Purchase of Assets and Assumption of Liabilities. Each Bid must provide for the purchase of all or a substantial portion of the Assets and payment or assumption of all or a substantial portion of the liabilities to be paid or assumed under the Stalking Horse Agreement.

For purposes herein, the Stalking Horse Agreement shall constitute a Qualified Bid. A Qualified Bid shall be considered such Qualified Bidder's "Baseline Bid."

If any Bid is determined by the Debtors not to be a Qualified Bid, the Bidder shall be refunded its Good Faith Deposit and all accumulated interest thereon within three (3) business days after that determination.

Any Bid that is not deemed a Qualified Bid shall not be considered by the Debtors, and the Bidder submitting that Bid will not be permitted to participate in the Auction (as defined below).

Credit Bidding

Qualified Bidders may make one or more credit bids of some or all of their allowed secured claims to the full extent permitted by Section 363(k) of the Bankruptcy Code.

Auction

Only if a Qualified Bid (other than the Bid submitted by the Stalking Horse Bidder) is received by the Bid Deadline shall the Debtors conduct an auction (the "**Auction**"). The Auction shall commence on [**January 9, 2013, at 10:00 a.m.**] (Eastern Time), at the offices of Gibson Dunn, 200 Park Avenue, New York, NY 10166.

If no Qualified Bid other than the Qualified Bid submitted by the Stalking Horse Bidder is received by the Bid Deadline, then (i) the Auction will not be held, (ii) the Stalking Horse Bidder will be deemed the Successful Bidder, (iii) the Stalking Horse Agreement will be the Successful Bid, and (iv) at the Sale Hearing on [**January 10, 2013 at __: __ .m.**] (Eastern Time), the Debtors will seek Bankruptcy Court approval of and authority to consummate the proposed sale to the Stalking Horse Bidder as contemplated by the Stalking Horse Agreement.

The Auction shall be conducted according to the following procedures:

(a) Participation at the Auction

Only a Qualified Bidder that has submitted a Qualified Bid is eligible to participate at the Auction. Only the authorized representatives and respective counsel and advisors of each of the Qualified Bidders, the Debtors, the DIP Lenders and any statutorily appointed official committee of unsecured creditors shall be permitted to attend the Auction. During the Auction, bidding shall begin initially with the highest Qualified Bid, as determined by the Debtors (the "**Opening Bid**"), and subsequently continue in minimum increments of at least five hundred thousand dollars (\$500,000) (or such other amount that the Debtors determine appropriate to facilitate the Auction). The Debtors shall provide copies of the Opening Bid to the Stalking Horse Bidder and all Qualified Bidders not later than noon the day prior to the Auction.

(b) The Debtors Shall Conduct the Auction

The Debtors and their professionals shall direct and preside over the Auction. The determination of which Qualified Bid constitutes the Opening Bid shall take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the estates, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities; (iii) the ability of the Qualified Bidder to close the proposed transaction; (iv) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (v) any purchase-price adjustments; (vi) the impact of the contemplated transaction on any actual or potential litigation; (vii) the net economic effect of any changes from the Stalking Horse Agreement, if any, contemplated by the contemplated transaction documents (the “**Contemplated Transaction Documents**”); (viii) the net after-tax consideration to be received by the Debtors’ estates; and (ix) such other considerations the Debtors deem relevant in their reasonable discretion (collectively, the “**Bid Assessment Criteria**”). All Bids made thereafter shall be Overbids (as defined below) and shall be made and received on an open basis, and all material terms of each Bid shall be fully disclosed to all other Qualified Bidders. The Debtors shall arrange for the actual bidding at the Auction to be transcribed or videotaped. Each Qualified Bidder participating in the Auction will be required to confirm that it has not engaged in any collusion regarding the Bidding Procedures, the Auction or the proposed transaction.

(c) Terms of Overbids

An “**Overbid**” is any Bid made at the Auction subsequent to the Debtors’ announcement of the Opening Bid. To submit an Overbid for purposes of this Auction, a Qualified Bidder must comply with the following conditions:

(i) Minimum Overbid Increment

Any Overbid after the Opening Bid shall be made in increments of at least \$500,000 (or such other amount the Debtors determine to be appropriate to facilitate the Auction).

(ii) Remaining Terms are the same as for Qualified Bids

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above, *provided, however*, that the Bid Deadline and the Initial Minimum Overbid Increment shall not apply. Any Overbid made by a Qualified Bidder must remain open and binding on the Qualified Bidder until and unless (A) the Debtors accept a higher Qualified Bid as an Overbid and (B) such Overbid is not selected as the Back-up Bid (as defined below).

To the extent not previously provided (which shall be determined by the Debtors), a Qualified Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors and the DIP Lenders) demonstrating such Qualified Bidder’s ability to close the transaction proposed by such Overbid.

(iii) Consideration of Overbids

The Debtors reserve the right, in their reasonable business judgment, to make one or more adjournments in the Auction to, among other things: (A) facilitate discussions between the Debtors and individual Qualified Bidders; (B) allow individual Qualified Bidders to consider how they wish to proceed; (C) consider and determine the current highest and best Overbid at any given time during the Auction; and (D) give Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors and the DIP Lenders, in their reasonable business judgment, may require that the Qualified Bidder (other than Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Bid Protections will be taken into account in each round of bidding. For the avoidance of doubt, during the Auction, any bid by the Stalking Horse Bidder shall be deemed to be increased by the amount of the Break-Up Fee and Expense Reimbursement, *provided* that in the event that the Stalking Horse Bidder is the Successful Bidder and its Successful Bid includes the Break-Up Fee and Expense Reimbursement, the Stalking Horse Bidder shall be entitled to credit these amounts against the purchase price.

(d) Additional Procedures

The Debtors, in their reasonable discretion, may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the Bidding Procedures, the Bidding Procedures Order or the Bankruptcy Code.

(e) Closing the Auction

Upon conclusion of the bidding, the Auction shall be closed, and the Debtors shall (i) immediately review the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale, and (ii) identify the highest, best, and/or otherwise financially superior offer for the Assets (the “**Successful Bid**” and the entity submitting such Successful Bid, the “**Successful Bidder**”), which highest, best and/or otherwise financially superior offer will provide the greatest amount of net value to the Debtor, and the next highest or otherwise best offer after the Successful Bid (the “**Back-up Bid**”), and (iii) advise the Qualified Bidders and Notice Parties of such determination. No additional bids may be considered following the closing of the Auction. The Qualified Bidder that submits the highest and best Bid at the conclusion of the Auction will be the Successful Bidder, and such Bid, the Successful Bid.

Within one (1) business day after the closing of the Auction, the Debtors shall file with the Bankruptcy Court and serve upon all Qualified Bidders and entities that have requested notice in the Bankruptcy Cases a notice identifying the Successful Bidder.

(f) Consent to Jurisdiction as Condition to Bid.

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes

relating to the Auction, and the construction and enforcement of the Bidder's Contemplated Transaction Documents, as applicable.

(g) Terms of Break-Up Fee and Expense Reimbursement

If the Debtors accept a Qualified Bid other than the Qualified Bid of the Stalking Horse Bidder as the Successful Bidder, then the Debtors shall pay to the Stalking Horse Bidder as compensation for the Stalking Horse Bidder's efforts in connection with the negotiation and execution of the Stalking Horse Agreement and the transactions contemplated thereby an amount equal to the Break-Up Fee and the Expense Reimbursement Amount due to the Stalking Horse Bidder pursuant to the terms of the Stalking Horse Agreement, as approved by the Bankruptcy Court under the Bidding Procedures Order.

Acceptance of Successful Bid

The Debtors shall sell the Assets to the Successful Bidder upon the approval of the Successful Bid by the Bankruptcy Court. The Debtors' presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute the Debtors' acceptance of the Bid. The Debtors will be deemed to have accepted a Bid only when the Bid has been approved by the Bankruptcy Court.

"As Is, Where Is"

The sale of the Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Debtors, their agents or estates except to the extent set forth in the Stalking Horse Agreement or the purchase agreement of another Successful Bidder. The Stalking Horse Bidder and each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures and (a) as to the Stalking Horse Bidder, the terms of the sale of the Assets set forth in the Stalking Horse Agreement, or (b) as to another Successful Bidder, the terms of the sale of the Assets set forth in the applicable purchase agreement.

Free of Any and All Encumbrances

Except as otherwise provided in the Stalking Horse Agreement or another Successful Bidder's purchase agreement, all of the Debtors' right, title, and interest in and to the Acquired Assets thereunder shall be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the "Encumbrances") in accordance with 11 U.S.C. § 363, with such Encumbrances to attach to the net proceeds of the sale of the Assets.

Sale Hearing

A hearing to approve the sale of the Assets to the Successful Bidder shall be conducted by the Bankruptcy Court on [January 10, 2013, at _:00 _.m.] (Eastern Time), located at 824 Market Street, Wilmington DE 19801 (the "Sale Hearing"). Following the approval of the sale of the Assets to the Successful Bidder at the Sale Hearing, if such Successful Bidder fails to consummate an approved sale within fourteen (14) days after entry of order by the Bankruptcy Court approving the sale of the Assets (except where the sole cause of any delay in closing is as a result of default by the Debtors), the Debtors shall be authorized, but not required, to deem the Back-up Bid, as disclosed at the Sale Hearing, the Successful Bid and the Debtors shall be authorized, but not required, to consummate the sale with the Qualified Bidder submitting such Back-up Bid without further notice or orders of the Bankruptcy Court. The Sale Hearing may be adjourned or rescheduled without notice other than by announcement of the adjourned date at the Sale Hearing. If the Stalking Horse Bidder is not the Successful Bidder at the Auction but is designated as the bidder that has submitted the Back-up Bid, then such Back-Up Bid must remain open until the earlier of the consummation of the transaction with the Successful Bidder and twenty-one (21) days after the conclusion of the Sale Hearing. If any other bidder submits the Back-Up Bid, such Back-Up Bid must remain open until the consummation of the Sale to the Successful Bidder.

Return of Good Faith Deposit

The Good Faith Deposit of the Successful Bidder shall be applied to the purchase price of such transaction at closing. Good Faith Deposits of all other Qualified Bidders shall be held by the Debtors until five (5) business days after closing of the transactions contemplated by the Successful Bid, and thereafter returned to the respective Qualified Bidders. If a Successful Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Debtors shall be entitled to retain the Good Faith Deposit as part of their damages resulting from the breach or failure to perform by the Successful Bidder. Notwithstanding anything herein to the contrary, the terms under which the Stalking Horse Bidder provided a Good Faith Deposit and the terms of its use, release and return to the Stalking Horse Bidder shall be governed by the Stalking Horse Agreement.

Modifications and Reservations

The Debtors may (a) determine which Qualified Bid, if any, is the highest, best, and/or otherwise financially superior offer; and (b) reject at any time before entry of orders of the Bankruptcy Court approving a Qualified Bid, any Bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures, or the terms and conditions of the Sale, or (iii) contrary to the best interests of the Debtors, their estates and creditors.

At or before the Sale Hearing, the Debtors may impose such other terms and conditions as the Debtors may determine to be in the best interests of their estate and creditors and other parties in interest thereof that are not inconsistent with the Bidding Procedures Order, the Bidding Procedures or the Bankruptcy Code.

The Bidding Procedures may be materially modified only upon the express written consent of the Debtors or by order of the Bankruptcy Court.

Reservation of Rights

Subject to the Bidding Procedures Order, the Debtors reserve the right as they may determine to be in the best interests of their estates to: (a) determine which Bidders are Qualified Bidders; (b) determine which Bids are Qualified Bids; (c) determine which Qualified Bid is the highest and best proposal and which is the next highest and best proposal; (d) reject any Bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bidding Procedures Order or the requirements of the Bankruptcy Code or any other orders entered by the Bankruptcy Court, or (iii) contrary to the best interests of the Debtors and their estates or stakeholders, as applicable; (e) impose additional terms and conditions with respect to any or all Bidders other than the Stalking Horse Bidder; (f) adjourn the Auction and/or Sale Hearing in open court without further notice; (g) with the consent of the Stalking Horse Bidder, remove a portion of the Assets from the Auction; and (h) consider or accept Bids for less than all of the Acquired Assets, so long as the Bids exceed the minimum overbid threshold. Without limiting the foregoing, the Debtors may determine to distribute or not distribute copies of other Qualified Bids to other Qualified Bidders prior to or during the Auction other than with respect to the distribution of the Opening Bid as set forth above.

EXHIBIT 2
Contract Notice

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

In re:

THQ Inc. et al.,¹

Debtors.

Chapter 11

Case No- 12-13398 (MFW)

Jointly Administered

Related Docket No. []

**NOTICE OF (I) ENTRY INTO STALKING HORSE AGREEMENT
AND (II) POTENTIAL ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION
WITH THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 19, 2012, THQ Inc. and certain of its subsidiaries, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases, filed a motion (the "Sale Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court") seeking among other things, entry of an order: (a) approving and authorizing (i) bidding procedures in connection with the sale of substantially all of the assets of the Debtors (the "Acquired Assets"); (ii) stalking horse bid protections; (iii) the form and manner of notice of the sale hearing (the "Sale Hearing") and (iv) other related relief; and (i) authorizing and approving the sale of the Acquired Assets free and clear of all liens, claims, and encumbrances; (ii) approving the asset purchase agreement; (iii) authorizing and approving the assumption and assignment of executory contracts and unexpired leases (the "Contracts"); and (iv) related relief.²

2. On December [], the Court entered an order (the "Bidding Procedures Order") approving procedures for the assumption and assignment of the Contracts (the "Assumption Procedures").

3. The Sale Hearing is currently scheduled to be held on **January [], 2013 at []: [] .m. (prevailing Eastern Time)** at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington DE 19801, before the Honorable Mary F. Walrath, United States Bankruptcy Judge. The Sale Hearing may be adjourned or rescheduled without further notice except as announced at the Sale Hearing.

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: THQ, Inc. (1686), THQ Digital Studios Phoenix, Inc. (1056), THQ Wireless, Inc. (7991), Volition, Inc. (4944), and Vigil Games, Inc. (8651). The mailing address for THQ Inc. is 29903 Agoura Road, Agoura Hills, CA 91301 (Attn: Ed Kaufman).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion.

4. The Debtors may seek to assume and assign the Contracts identified on Exhibit 1 attached hereto (the "Potential Assignment Schedule") in connection with the sale of the Acquired Assets. The Potential Assignment Schedule identifies, among other things, the amount, if any, determined by the Debtors to be necessary to be paid to cure any existing default under each Contract (the "Cure Amount"). In certain instances the Debtors and the counterparty to a Contract have, or will have agreed, or are in negotiations to reach an agreement with respect to a reduced Cure Amount as part of the process. Such agreed amounts are listed as Proposed Cure Amounts on the attached Potential Assignment Schedule. With respect to Contracts that continue to be subject to negotiations between the Debtors and the Buyers on the one hand and the relative counter-party on the other, the Proposed Cure Amount is scheduled as "Under Negotiation." The Debtors reserve the right to delete items from, supplement and modify the Potential Assignment Schedule at any time, provided that to the extent that the Debtors add a Contract to the Potential Assignment Schedule or modify the Cure Amount, the affected party shall receive a separate notice and an opportunity to object to such addition or modification.

5. Objections, if any, to the proposed assumption and assignment of any of the Assigned Contracts must: (a) be in writing, (b) set forth the basis for the objection as well as any Cure Amount that the objector asserts to be due (in all cases with appropriate documentation in support thereof), and (c) be filed with the Clerk of the Court, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington DE 19801, and served on the following parties **so as to be actually received no later than 4:00 p.m. (prevailing Eastern Time) on January [], 2013** (the "Objection Deadline"): (i) counsel to Debtors, Gibson Dunn, 333 South Grand Avenue, Los Angeles, CA 90071-3197 (Attn: Jeffrey C. Krause, Esq.) email: jkrause@gibsondunn.com and Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor mnestor@ycst.com and M. Blake Cleary mblecleary@ycst.com), (ii) the Debtors, c/o THQ Inc., 29903 Agoura Road, Agoura Hills, CA 91301 (Attn: Ed Kaufman) email: Ed.Kaufman@THQ.com; (iii) counsel to the DIP Lenders, DLA Piper LLP (US), 1251 Avenue of the Americas, New York, NY 10020 (Attn: Gregg M. Galardi, Esq.) email: gregg.galardi@dlapiper.com, and 203 North LaSalle Street, Suite 1900, Chicago, IL 60601 (Attn: Matt Murphy, Esq.) email: matt.murphy@dlapiper.com; (iv) Centerview Partners LLC, 31 W. 52nd Street, New York, NY 10019 (Attn: Karn Chopra) email: kchopra@centerviewpartners.com; and (v) counsel to any statutory committee of unsecured creditors appointed in these cases, by the Bid Deadline. If any objections are received, a hearing on such objections (the "Cure Objection Hearing") will be held on January [], 2013 at __:__.m. (prevailing Eastern Time) at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, before the Honorable Judge Mary F. Walrath, United States Bankruptcy Judge. The Cure Objection Hearing may be adjourned or rescheduled without further notice except as announced at the Cure Objection Hearing.

6. To the extent that any entity does not timely object as set forth above, such entity shall be (a) forever barred from objecting to the assumption and assignment of any of the Contracts identified on this Assumption Notice, including, without limitation, asserting any additional cure payments or requesting additional adequate assurance of future performance, (b) deemed to have consented to the applicable Cure Amount, if any, and to the assumption and assignment of the applicable Contract, (c) bound to such corresponding Cure Amount, if any, (d) deemed to have agreed that the Buyer has provided adequate assurance of future performance

within the meaning of section 365(b)(1)(C) of the Bankruptcy Code, (e) deemed to have agreed that all defaults under the applicable Contract arising or continuing prior to the effective date of the assignment have been cured as a result or precondition of the assignment, such that the Buyer or the Debtors shall have no liability or obligation with respect to any default occurring or continuing prior to the assignment, and from and after the date of the assignment the applicable Contract shall remain in full force and effect for the benefit of the Buyer and such entity in accordance with its terms, (f) deemed to have waived any right to terminate the applicable Contract or designate an early termination date under the applicable Contract as a result of any default that occurred and/or was continuing prior to the assignment date, and (g) deemed to have agreed that the terms of the Sale Order shall apply to the assumption and assignment of the applicable Contract.

7. Any request for adequate assurance information regarding the Buyer (a “Request for Adequate Assurance”) must include an email address, postal address and/or facsimile number to which a response to such request will be sent. Upon receiving a Request for Adequate Assurance, the Debtors shall promptly provide such party with any non-confidential information reasonably related to adequate assurance by email, facsimile or overnight delivery.

8. Failure of any entity to timely file or raise any objection as set forth herein shall be deemed to constitute consent to the sale of the Acquired Assets to the Buyer and other relief requested in the Sale Motion, and be a bar to any objection to the Sale Motion, the sale of the Acquired Assets, assumption and assignment of the applicable contracts and leases and acceptance of the Proposed Cure Amount, or the Debtors’ consummation and performance of the terms of the asset purchase agreement entered into with the Buyer, if authorized by the Court.

Dated: Wilmington, Delaware
December ____, 2012

Michael R. Nestor (Bar No. 3526)
M. Blake Cleary (Bar No. 3614)
YOUNG CONAWAY STARGATT & TAYLOR
LLP
Rodney Square
1000 North King Street
Wilmington, DE 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253

-and-

Jeffrey C. Krause (CA SBN 94053)
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, CA 90071-1512
Telephone: (213) 229-7000
Facsimile: (213) 229-7520

*Proposed Counsel for Debtors and
Debtors in Possession*

Exhibit 1

Potential Assignment Schedule



EXHIBIT 3

Assumption Notice

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

In re:

THQ Inc. et al.,¹

Debtors.

Chapter 11

Case No. 12-13398 (MFW)

Jointly Administered

RE: Docket No. [____]

**NOTICE OF ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY
CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH THE SALE OF
SUBSTANTIALLY ALL OF THE DEBTORS' OPERATING ASSETS**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 19, 2012, THQ Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases filed a motion (the "Sale Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court") seeking among other things, entry of an order: (a) approving and authorizing (i) bidding procedures in connection with the sale of substantially all of the assets of the Debtors (the "Assets"); (ii) stalking horse bid protections; (iii) the form and manner of notice of the sale hearing and (iv) other related relief; (i) authorizing and approving the sale of substantially all of the Debtors' assets free and clear of all liens, claims, and encumbrances; (ii) approving the asset purchase agreement; (iii) authorizing and approving the assumption and assignment of executory contracts and unexpired lease (the "Contracts"); and (iv) related relief.²

2. On December [], 2012, the Court entered an order (the "Bidding Procedures Order") approving, among other things, procedures for the assumption and assignment of the Contracts (the "Assignment Procedures"). Pursuant to the Assignment Procedures and by this written notice, the Debtors hereby notify you that they have determined, in the exercise of their business judgment, that they may assume the Contracts set forth on Exhibit A (collectively, the "Assigned Contracts") attached and assign them to Clearlake Capital or the Successful Bidder at the Auction Sale, subject to Successful Bidder's payment of the cure amounts set forth on Exhibit A, or such other cure amounts that are agreed to by the parties.

3. Additional copies of the Bidding Procedures Order, the Asset Purchase Agreement, and any other related documents are available upon request to Kurtzman Carson

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: THQ, Inc. (1686), THQ Digital Studios Phoenix, Inc. (1056), THQ Wireless, Inc. (7991), Volition, Inc. (4944), and Vigil Games, Inc. (8651). The mailing address for THQ Inc. is 29903 Agoura Road, Agoura Hills, CA 91301 (Attn: Ed Kaufman).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion.

Consultants LLC, the Debtors notice and claims agent, 2335 Alaska Ave., El Segundo, CA, (877) 709-4751, or by visiting the website maintained in these chapter 11 cases at www.kccllc.net/thq.

4. Pursuant to the Assignment Procedures, objections to the proposed assumption and assignment of an Assigned Contract (a “Contract Objection”), must: (a) be in writing; (b) state with specificity the nature of such objection; (c) comply with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the District of Delaware; and (d) be filed with the Court and served so as to be **actually received** on or before the later of (i) __: __ **.m. (prevailing Eastern Time) on January [], 2013**, or (ii) ten (10) days from service of this notice (either (i) or (ii) as applicable, the “Contract Objection Deadline”).

5. Except as otherwise provided by the Bidding Procedures Order, the time for filing objections to the cure amounts related to the Assigned Contracts has passed and no further notice or action is necessary with respect to such cure amounts.

Any Contract Objections will be considered at a subsequent hearing before the Court, and must be served on the following parties:

Counsel to the Debtors	Counsel to the Stalking Horse Bidder
<p>Gibson Dunn & Crutcher, LLP 333 South Grand Avenue Los Angeles, CA 90071-3197 Attn: Jeffrey C. Krause, Esq. Email: jkrause@gibsondunn.com -and- Young Conaway Stargatt & Taylor, LLP 1000 North King Street Wilmington, DE 19801 Attn: Michael R. Nestor (mnestor@ycst.com) and M. Blake Cleary (mbcleary@ycst.com)</p>	<p>DLA Piper LLP (US) 1251 Avenue of the Americas New York, New York 10020 Attn: Gregg M. Galardi -and- DLA Piper LLP (US) 203 N. LaSalle, Suite 1900 Chicago, Illinois 60606 Attn.: Matt Murphy</p>
Counsel to the Committee	The United States Trustee
	<p>Office of the United States Trustee for the District of Delaware 844 King Street Suite 2207, Lockbox 35 Attn: Jane M. Leamy</p>

If any timely filed Contract Objection cannot be resolved by the parties, the Court shall resolve such Contract Objection prior to assumption and assignment of such designated Contract, and upon entry of an order by the Court resolving such Contract Objection, the assignment, if approved by the Court, shall be deemed effective as of the date you receive this notice. To the extent that any Contract Objection cannot be resolved by the parties, such Contract shall be assumed and assigned only upon satisfactory resolution of the Contract Objection, to be determined in Successful Bidder’s reasonable discretion, and until such time as the Contract Objection can be resolved, the Contract shall be conditionally assumed and assigned pending a resolution of the Contract Objection after notice and a hearing.

CONSEQUENCES OF FAILING TO TIMELY FILE AND SERVE AN OBJECTION

ANY COUNTERPARTY TO AN ASSIGNED CONTRACT WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE PROPOSED ASSUMPTION AND ASSIGNMENT OF AN ASSIGNED CONTRACT SET FORTH ON EXHIBIT A BY THE CONTRACT OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER AND THE ASSIGNMENT PROCEDURES SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE ASSUMPTION AND ASSIGNMENT OF THE ASSIGNED CONTRACT SET FORTH ON EXHIBIT A.

Dated: Wilmington, Delaware
December ____, 2012

Michael R. Nestor (Bar No. 3526)
M. Blake Cleary (Bar No. 3614)
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-and-

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*Proposed Counsel for Debtors and
Debtors in Possession*

Exhibit A

Assigned Contracts

Assigned Contracts¹

Debtor	Counterparty	Description of Assumed Contracts or Leases	Cure Amount

¹ The presence of a contract on this **Exhibit A** does not constitute an admission by the Debtors that such contract is an executory contract or an unexpired lease, and the Debtors reserves all rights to withdraw any proposed assumption or reject any contract at any time before such contract is assumed and assigned pursuant to an order of the Court. Please also note that certain contracts may have been omitted from this public version of this **Exhibit A** due to the confidential and proprietary nature thereof.

EXHIBIT 4

Sale Notice

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

In re:

THQ Inc. et al.,¹

Debtors.

Chapter 11

Case No- 12-13398 (MFW)

Jointly Administered

Related Docket No. []

**NOTICE OF BID DEADLINE, AUCTION AND SALE
APPROVAL HEARING IN CONNECTION WITH THE
SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS
FREE AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. THQ Inc. and certain of its subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), seek to sell substantially all of their operating assets (the "Acquired Assets") free and clear of any and all liens, claims, and encumbrances.

2. On December 19, 2012, the Debtors filed a motion (the "Sale Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court") seeking, among other things, entry of an order (the "Bid Procedures Order") approving and authorizing (a) bidding procedures in connection with the sale of substantially all of the assets of the Debtors (the "Bid Procedures"), (b) stalking horse bid protections, (c) the form and manner of notice of the sale hearing (the "Sale Hearing"), and (d) other related relief.²

3. On December [●], 2012, the Court entered the Bid Procedures Order.

4. All interested parties are invited to make offers to purchase the Acquired Assets in accordance with the Bid Procedures and the Bid Procedures Order. Copies of the Bid Procedures and Bid Procedures Order may be obtained by: (i) written request to the Debtors' counsel, Gibson Dunn & Crutcher, LLP, 333 South Grand Avenue, Los Angeles, CA 90071-3197 (Attn: Jeffrey C. Krause, Esq.) email: jkrause@gibsondunn.com or Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor, Esq. and M. Blake Cleary, Esq.) email: mnestor@ycst.com and mbcleary@ycst.com); (ii)

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: THQ, Inc. (1686), THQ Digital Studios Phoenix, Inc. (1056), THQ Wireless, Inc. (7991), Volition, Inc. (4944), and Vigil Games, Inc. (8651). The mailing address for THQ Inc. is 29903 Agoura Road, Agoura Hills, CA 91301 (Attn: Ed Kaufman).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion.

accessing the Court's website at <http://www.deb.uscourts.gov/> (please note that a PACER password is needed to access documents on the court's website); (iii) viewing the docket of these cases at the Clerk of the Court, United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801; or (iv) accessing the Debtors' restructuring website, available at [•]. **All interested parties should carefully read the Bid Procedures.**

5. The deadline to submit offers to purchase the Acquired Assets is **January [8], 2013 at 5:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline"). Pursuant to the Bid Procedures and Bid Procedures Order, if two or more Qualified Bids (as defined in the Bid Procedures) are received on or before the Bid Deadline, the Debtors will conduct an auction (the "Auction") commencing on **January [9], 2013, at 10:00 a.m. (prevailing Eastern Time)**, at the offices of Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, DE 19801, to determine the highest or otherwise best bid for the Acquired Assets (the "Successful Bid"). Only an entity that has submitted a Qualified Bid (a "Qualified Bidder") to: (a) counsel to Debtors, Gibson Dunn & Crutcher, LLP, 333 South Grand Avenue, Los Angeles, CA 90071-3197 (Attn: Jeffrey C. Krause, Esq.) email: jkrause@gibsondunn.com and Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor, Esq. and Blake Cleary, Esq.) email: mnestor@ycst.com and bcleary@ycst.com; (b) THQ Inc., 29903 Agoura Road Agoura Hills, CA 91301 (Attn: Ed Kaufman); (c) DLA Piper LLP (US), 1251 Avenue of the Americas, New York, NY 10020 (Attn: Gregg M. Galardi, Esq.) and 203 North LaSalle Street, Suite 1900, Chicago, IL 60601 (Attn: Matt Murphy, Esq.); (d) Centerview Partners LLC, 31 W. 52nd Street, New York, NY 10019 (Attn: Karn Chopra) and (e) counsel to any statutory committee of unsecured creditors appointed in these cases, by the Bid Deadline, is eligible to participate in the Auction.

6. The sale of the Acquired Assets to the Successful Bidder shall be presented for authorization and approval by the Court at the Sale Hearing, which is currently scheduled to be held on **January [10], 2013 at _: __ .m. (prevailing Eastern Time)** at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801; before the Honorable Mary F. Walrath, United States Bankruptcy Judge. The Sale Hearing may be adjourned or rescheduled without further notice by announcing the adjourned date at the Sale Hearing.

7. Objections, if any, to approval of the sale of the Acquired Assets to the Successful Bidder, including any objections to the proposed assumption and assignment of certain Contracts and Leases pursuant to the Assumption and Assignment Procedures, must (i) be in writing, (ii) set forth the basis for the objection as well as any Cure Amount that the objector asserts to be due (in all cases with appropriate documentation in support thereof), and (iii) be filed with the Clerk of the Court, United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801; and served on the following parties **so as to be actually received no later than 5:00 p.m. (prevailing Eastern Time) on the date that is seven (7) days prior to the Sale Hearing** (the "Objection Deadline"): (a) counsel to Debtors, Gibson Dunn & Crutcher, LLP, 333 South Grand Avenue, Los Angeles, CA 90071-3197 (Attn: Jeffrey C. Krause, Esq.) email: jkrause@gibsondunn.com and Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor, Esq. and M. Blake Cleary, Esq.) email: mnestor@ycst.com and mbleary@ycst.com; (b) THQ Inc., 29903 Agoura Road Agoura Hills, CA 91301 (Attn: Ed Kaufman); (c) DLA Piper LLP (US), 1251

Avenue of the Americas, New York, NY 10020 (Attn: Gregg M. Galardi, Esq.) and 203 North LaSalle Street, Suite 1900, Chicago, IL 60601 (Attn: Matt Murphy, Esq.); (d) Centerview Partners LLC, 31 W. 52nd Street, New York, NY 10019 (Attn: Karn Chopra) and (e) counsel to any statutory committee of unsecured creditors appointed in these cases.

8. Failure of any entity to file an objection on or before the Objection Deadline shall be deemed to constitute consent to the sale of the Acquired Assets to the Successful Bidder and other relief requested in the Sale Motion, and be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Sale Motion, the Auction, the sale of the Acquired Assets, or the Debtors' consummation and performance of the terms of the asset purchase agreement entered into with the Successful Bidder, if authorized by the Court.

9. If an Auction is conducted, the Qualified Bidder or Qualified Bidders with the next highest or otherwise best Qualified Bid at the Auction, as determined by the Debtors in the exercise of their business judgment and in consultation with the DIP Lenders, shall be required to serve as a back-up bidder (the "Back-Up Bidder") and keep such bid open and irrevocable until fourteen (14) days after the entry of the Sale Order. Following the Sale Hearing, if such Successful Bidder fails to consummate an approved sale within fourteen (14) days after entry of order by the Bankruptcy Court approving the sale of the Acquired Assets (except where the sole cause of any delay in closing is as a result of default by the Debtors), the Debtors shall be authorized, but not required, to deem the Back-up Bid, as disclosed at the Sale Hearing, the Successful Bid and the Debtors shall be authorized, but not required, to consummate the sale with the Back-Up Bidder without further notice or orders of the Bankruptcy Court.

10. This notice is subject to the full terms and conditions of the Sale Motion, the Bid Procedures, and the Bid Procedures Order, and the Debtors encourage any interested parties to review such documents in their entirety. To the extent that this notice is inconsistent with the Bid Procedures Order, the terms of the Bid Procedures Order shall govern.

Dated: Wilmington, Delaware
December ____, 2012

Michael R. Nestor (Bar No. 3526)
M. Blake Cleary (Bar No. 3614)
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