

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X
In re: : Chapter 11
: :
THQ INC., *et al.*, : Case No. 12-13998 (MFW)
: :
: Jointly Administered
Debtors. :
: :
: :
: Objection Deadline: March 6, 2013 at 4:00 p.m. ET
-----X

**SUMMARY OF FIRST MONTHLY APPLICATION OF ANDREWS
KURTH LLP FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS FROM JANUARY 3, 2013 TO JANUARY 31, 2013**

| | |
|---|---|
| Name of Applicant: | Andrews Kurth LLP |
| Authorized to Provide Professional Services to: | The Official Committee of Unsecured Creditors |
| Date of Retention: | January 3, 2013 |
| Period for which Compensation and Reimbursement is Sought: | January 3, 2013 through January 31, 2013 |
| Amount of Compensation Sought as Actual, Reasonable and Necessary: | \$432,194.50 |
| Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary: | \$9,474.19 |

This is an: interim ___ final application

This Application includes 0.00 hours and \$0.00 in fees incurred in connection with the preparation of this Application.

MONTHLY COMPENSATION BY PROFESSIONAL:

| NAME OF PROFESSIONAL | DATE OF FIRST ADMISSION | HOURLY BILLING RATE | HOURS WORKED | VALUE OF SERVICES RENDERED |
|---------------------------------------|--------------------------------|----------------------------|---------------------|-----------------------------------|
| <u>PARTNERS</u> | | | | |
| Paul N. Silverstein | 1982 | \$1,090.00 | 124.80 | \$136,032.00 |
| | | \$545.00 | 15.00 (travel) | \$8,175.00 |
| Jonathan I. Levine | 2001 | \$850.00 | 153.90 | \$130,815.00 |
| | | \$425.00 | 15.00 (travel) | \$6,375.00 |
| Timothy S. McConn | 2001 | \$565.00 | 68.20 | \$38,533.00 |
| | | \$282.50 | 15.20 (travel) | \$4,294.00 |
| Jeffrey M. Butler | 2002 | \$580.00 | 2.00 | \$1,160.00 |
| <u>ASSOCIATES</u> | | | | |
| Callie A. Parker | 2004 | \$555.00 | 17.40 | \$9,657.00 |
| Jeremy B. Reckmeyer | 2006 | \$590.00 | 113.20 | \$66,788.00 |
| Brian M. Clarke | 2012 | \$290.00 | 104.60 | \$30,334.00 |
| <u>PARAPROFESSIONALS</u> | | | | |
| Zoraida Agosto | N/A | \$315.00 | 0.10 | \$31.50 |
| GRAND TOTAL: | | \$686.68 (Blended Rate) | 629.40 | \$432,194.50 |
| REQUESTED TOTAL (80% OF FEES): | | | | \$345,755.60 |

MONTHLY COMPENSATION BY PROJECT CATEGORY:

| BILLING CATEGORY | HOURS | AMOUNT |
|---|---------------|--------------------------|
| Business Operations | 4.10 | \$3,533.00 |
| Case Administration | 6.90 | \$3,323.00 |
| Creditors' Committee Matters | 36.50 | \$26,673.00 |
| Communications with Creditors (Non-Committee) | 10.40 | \$8,608.00 |
| DIP Financing/Cash Collateral | 44.30 | \$30,448.50 |
| Disposition of Assets | 336.40 | \$247,698.00 |
| Employee Benefits | 26.40 | \$18,230.00 |
| Equity Committee Matters | 1.60 | \$1,570.00 |
| Executory Leases and Contracts | 14.20 | \$5,830.00 |
| General | 4.40 | \$1,726.00 |
| Hearings and Courtroom Activity | 49.70 | \$40,316.00 |
| Preferences and Fraudulent Transfers | 0.90 | \$765.00 |
| Professional Employment and Retentions | 48.40 | \$24,630.00 |
| Travel Time | 45.20 | \$18,844.00 ¹ |
| TOTALS | 629.40 | \$432,194.50 |

¹ Pursuant to Local Rule 2016-2(d)(viii), travel time during which no work is performed is billed at 50% of regular hourly rates.

MONTHLY EXPENSE SUMMARY BY CATEGORY:

| EXPENSE CATEGORY | AMOUNT |
|-----------------------------------|-------------------|
| American Express Travel Expense | \$1,618.00 |
| Computer-Aided Research - Lexis | \$71.13 |
| Computer-Aided Research - Pacer | \$141.80 |
| Computer-Aided Research - Westlaw | \$372.91 |
| Delivery Expense- FedEx | \$47.92 |
| Document Services | \$264.00 |
| Hotel & Lodging Expense | \$3,532.30 |
| Local Meal Expense | \$1,031.60 |
| Local Transportation | \$1,669.78 |
| Long Distance Telephone | \$8.33 |
| Professional Services | \$434.49 |
| Travel Expense | \$175.13 |
| Travel-related Expenses, Meals | \$106.80 |
| Total: | \$9,474.19 |

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

-----X

| | | |
|---------------------------|---|---|
| In re: | : | Chapter 11 |
| | : | |
| THQ INC., <i>et al.</i> , | : | Case No. 12-13998 (MFW) |
| | : | |
| Debtors. | : | Jointly Administered |
| | : | |
| | : | Objection Deadline: March 6, 2013 at 4:00 p.m. ET |

-----X

**FIRST MONTHLY APPLICATION OF ANDREWS KURTH LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS FROM JANUARY 3, 2013 TO JANUARY 31, 2013**

Andrews Kurth LLP (“AK” or the “Applicant”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of THQ Inc. and its affiliated debtors (collectively, the “Debtors”),² for its First Monthly Application for Allowance of Compensation and Reimbursement of Expenses (the “Application”) for the period commencing January 3, 2013 through and including January 31, 2013 (the “Application Period”), respectfully represents:

**I.
INTRODUCTION AND BACKGROUND**

1. On December 19, 2012 (the “Petition Date”), each of the Debtors filed a petition for relief under Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”) with this Court.
2. On January 3, 2013, the Office of the United States Trustee (the “U.S. Trustee”) appointed the Committee. The Committee consists of: (i) Wilmington Trust, N.A.; (ii) World Wrestling Entertainment, Inc.; (iii) Mattel, Inc.; (iv) Viacom International Inc.; and (v) Silverback Asset Management, LLC. No trustee or examiner has been appointed in these cases.

² The Debtors in these chapter 11 cases are: (i) THQ Inc.; (ii) THQ Digital Studios Phoenix, Inc.; (iii) THQ Wireless, Inc.; (iv) Volition, Inc.; and (v) Vigil Games, Inc.

3. On January 3, 2013 (the “Retention Date”), the Committee selected Andrews Kurth LLP (“AK”) as its counsel, and Landis Rath & Cobb LLP (“LRC”) as its co-counsel.

4. On January 11, 2013, the Committee filed its *Application to Employ Andrews Kurth LLP as Counsel to the Official Committee of Unsecured Creditors, Nunc Pro Tunc the Retention Date, Pursuant to Sections 328 And 1103(a) Of The Bankruptcy Code* [Docket No. 150] (the “AK Retention Application”).

5. On January 31, 2013, the Court entered an Order [Docket No. 281] (the “AK Retention Order”) approving the AK Retention Application. The AK Retention Order provides that AK shall be compensated and reimbursed in accordance with AK's customary compensation and reimbursement practices and shall apply to this Court for allowance of such compensation and reimbursement of expenses in accordance with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules and Orders of this Court.

6. On January 31, 2013, the Court also entered an Order [Docket No. 286] (the “Interim Compensation Order”) granting the *Debtors' Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 131] (the “Interim Compensation Motion”). The Interim Compensation Order provides, among other things, that (i) no earlier than the fifteenth (15th) day of each calendar month following the month for which compensation is sought, each Professional (as defined in the Interim Compensation Order) seeking interim allowance of its fees and expenses may file an application (each, a “Monthly Fee Application”) with the Court pursuant to section 331 of the Bankruptcy Code for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month, (ii) if no objections are raised prior to fourteen (14) days following service of the Monthly Fee Application, the Debtors shall be authorized to pay such Professional an amount equal to 80% of

the fees and 100% of the expenses identified in each Monthly Fee Application and (iii) if an objection is properly filed, the Debtors shall be authorized to pay the Professional 80% of the fees and 100% of the expenses not subject to an objection.

II.
REQUEST FOR INTERIM APPROVAL AND PAYMENT OF ALL FEES AND EXPENSES FOR THE APPLICATION PERIOD

7. This Application is filed pursuant to sections 330 and 331 of the Bankruptcy Code, rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of Bankruptcy Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the AK Retention Order and the Interim Compensation Order.

8. By this Application, AK requests allowance of \$432,194.50 and payment of \$345,755.60 as compensation for professional services rendered during the Application Period by AK to the Committee and allowance and payment of \$9,474.19 as reimbursement for actual and necessary expenses incurred by AK in connection with its representation of the Committee during the Application Period.

9. Attached hereto as Exhibit A and incorporated herein by reference are invoices reflecting the services performed by AK professionals on behalf of the Committee during the Application Period, grouped into the categories set forth in Exhibit A. The invoices attached as Exhibit A describe, in time increments of one tenth (0.10) of an hour, the specific legal services performed by AK in each category, including:

- a. the date services were rendered;
- b. the professional rendering the services;
- c. the nature of the services rendered;
- d. the time required for the performance of such services; and
- e. the fee associated for the performance of each service rendered.

10. The invoices attached as Exhibit A hereto also describe the actual and necessary out-of-pocket expenses incurred by AK on behalf of the Committee during the Application Period. This expenses set forth on Exhibit A are broken down into categories of expenses, including, among others, copying charges, telephone and teleconference charges, lodging, meals, messenger and courier expenses, travel expenses, computerized research, and specialized research and filing fees.

11. Pursuant to Local Rule 2016-2, AK represents that (i) its rate for copying charges is \$.10 per page, and (ii) there is no surcharge for computerized research, messenger and courier services, outside attorney services and specialized research and filing fees.

III. CONCLUSION

12. AK professionals expended an aggregate of 629.4 hours representing the Committee during the Application Period. The amount of time spent by each AK professional providing services to the Committee during the Application Period is fully set forth in detail on Exhibit A hereto. The fees and expenses incurred by AK for services rendered in these cases are billed at rates and in accordance with practices customarily charged by AK to bankruptcy and non-bankruptcy clients alike. The reasonable value of the services rendered by AK for the Application Period as counsel for the Committee is \$432,194.50.

13. AK believes that the time entries and expenses set forth in Exhibit A are in compliance with the requirements of Local Rule 2016-2.

14. The professional services performed by AK during the Compensation Period were necessary and appropriate for the Committee to perform its statutory duties under the Bankruptcy Code. In accordance with factors enumerated in section 330 of the Bankruptcy Code, AK respectfully submits that the amount requested is fair and reasonable given (i) the complexity of these cases, (ii) the time expended, (iii) the nature and extent of the services rendered, (iv) the value

of such services, and (v) the costs of comparable services other than in a case under the Bankruptcy Code.

15. AK reserves the right to amend, modify or supplement this Application. In addition, to the extent time or disbursement charges for services rendered or disbursements incurred relate to the Application Period but were not processed prior to the preparation of this Application, or AK has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Application Period, AK reserves the right to request additional compensation for such services and reimbursement of such expenses.

WHEREFORE, AK respectfully requests: (i) allowance, on an interim basis, of all fees for services performed by AK on behalf of the Committee during the Application Period, in the aggregate amount of \$432,194.50, and all expenses incurred by AK on behalf of the Committee during the Application Period, in the aggregate amount of \$9,474.19; (ii) payment of eighty percent (80%) of all fees for services performed by AK on behalf of the Committee during the Application Period, in the aggregate amount of \$345,755.60, and reimbursement of one hundred percent (100%) of all expenses incurred by AK on behalf of the Committee during the Application Period, in the aggregate amount of \$9,474.19; and (iii) such other and further relief as may be just and proper.

Dated: February 20, 2013
Wilmington, Delaware

ANDREWS KURTH LLP

By: /s/ Paul N. Silverstein
Paul N. Silverstein (admitted *pro hac vice*)
Jonathan I. Levine (admitted *pro hac vice*)
Jeremy B. Reckmeyer (admitted *pro hac vice*)
450 Lexington Avenue
New York, New York 10017
Telephone Number: (212) 850-2800
Facsimile Number: (212) 850-2929

*Counsel to the Official
Committee of Unsecured Creditors*

CERTIFICATION

The undersigned hereby certifies that (i) he is a partner in the applicant firm, Andrews Kurth LLP, (ii) he has read the Application, and (iii) he has reviewed Local Rule 2016 and, to the best of his knowledge, information and belief, formed after reasonable inquiry, the Application complies with Local Rule 2016.

The undersigned hereby certifies under penalty of perjury that the information contained in the Application and the foregoing statements are true and correct to the best of his knowledge, information and belief.

Dated: February 20, 2013
Wilmington, Delaware

/s/Paul N. Silverstein
Paul N. Silverstein