

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re: ARCTIC SENTINEL, INC. [f/k/a Fuhu, Inc.], <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 15-12465-CSS (Jointly Administered) Related to Docket No. 1295
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ORDER AUTHORIZING AND PRELIMINARILY APPROVING STIPULATION RESOLVING (1) CLASS CLAIM OF SCOTT MILLER AND JAMES E. GRIFFIN (CLAIM NO. 177), (2) CLAIM OF D&H DISTRIBUTING CO. (CLAIM NO. 153), (3) CLAIM OF WISTRON CORPORATION AND WISTRON INFOCOMM TECHNOLOGY (AMERICA) CORPORATION (CLAIM NO. 162), (4) CLAIMS OF NORTH HAVEN EXPANSION CAPITAL CO-INVESTMENT VEHICLE LP, F/K/A MS EXPANSION CAPITAL CO-INVESTMENT VEHICLE, LP, AND NORTH HAVEN EXPANSION CAPITAL LP, F/K/A MORGAN STANLEY EXPANSION CAPITAL, LP (CLAIM NOS. 137 AND 140), (5) CERTAIN ADDITIONAL CLAIMS AMONG THE PARTIES, AND (6) DISALLOWING AND EXPUNGING CLAIMS OF GUTRIDE SAFIER LLP (CLAIM NOS. 165, 166, 167 AND 168)

This matter coming before the Bankruptcy Court on the Motion of Liquidating Trust for Preliminary and Final Orders Authorizing and Approving Stipulation Resolving (1) Class Claim of Scott Miller and James E. Griffin (Claim No. 177), (2) Claim of D&H Distributing Co. (Claim No. 153), (3) Claim of Wistron Corporation and Wistron Infocomm Technology (America) Corporation (Claim No. 162), (4) Claims Of North Haven Expansion Capital Co-Investment Vehicle LP, f/k/a MS Expansion Capital Co-Investment Vehicle, LP, And North Haven Expansion Capital LP, f/k/a Morgan Stanley Expansion Capital, LP (Claim Nos. 137 And 140), (5) Certain Additional Claims Among the Parties, and (6) Disallowing and Expunging Claims of Gutride Safier LLP (Claim Nos. 165, 166, 167, and 168) (the "**Motion**");²

¹ The Debtors, together with the last four digits of each Debtor's tax identification number, are: Arctic Sentinel, Inc. [f/k/a Fuhu, Inc.] (7896); Arctic Sentinel Holdings, Inc. [f/k/a Fuhu Holdings, Inc.] (9761); Arctic Sentinel Direct, Inc. [f/k/a Fuhu Direct, Inc.] (2180); and Sentinel Arctic, Inc. f/k/a Nabi, Inc.] (4119).

² Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

the Bankruptcy Court having reviewed the Motion; the Court finding that (i) the Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) in that the matter presents disputes arising under title 11, or arising in or related to cases under title 11, (ii) venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) the matter before the Bankruptcy Court combines a substantially core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(B) and 157(b)(2)(O) with a non-core proceeding resolving the disputes between the Class on one hand, and D&H and Wistron on the other, which are otherwise related to this bankruptcy case pursuant to 28 U.S.C. §§ 157(b)(2)(C) because they are an integral and essential component of the Stipulation and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; after due deliberation the Bankruptcy Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on a preliminary basis pending a final approval hearing on the Motion (the “*Final Approval Hearing*”).
2. The Liquidating Trustee is authorized to enter into the Stipulation, pending final approval as more fully set forth herein.
3. For the reasons stated in the Motion, the proposed settlement to the Class discloses no grounds to doubt its fairness nor other obvious deficiencies such as unduly preferential treatment of class representatives or segments of the class or excessive compensation of attorneys, and it appears to fall within the range of possible approval.
4. On a preliminary basis, the Court approves the modification of the definition of the Class to “All persons who purchased, in the United States, a Nabi 2, Nabi 2S,

Nabi XD, Nabi Jr. (including Nabi Jr. S) or Nabi DreamTab tablet, except persons who purchased for resale or returned such tablet for a full refund or non-defective replacement.”³

The Court finds that this modified Class meets all the requirements for certification, for the same reasons previously set out in its July 7, 2016 Stipulation and Order. [Bankruptcy Court Docket No. 667].

5. Class Counsel shall be permitted to apply to this Bankruptcy Court for awards of attorneys’ fees and expenses, and the Class Representatives shall be permitted to apply to this Bankruptcy Court for representative awards, to be paid out of the Class Distributions and Media Policy Proceeds.

6. KCC Class Action Services, LLC shall be appointed as the qualified third-party administrator (the “*Claim Administrator*”) and shall provide notice to the Class, administer the claims process and allocate and distribute the Claim Distributions and Media Policy Proceeds as set forth in the Stipulation.

7. The Notice Plan set forth in Exhibit B to the Stipulation is approved as the best notice that is practicable under the circumstances and as satisfying all the requirements of Rule 23 of the Federal Rules of Civil Procedure, due process, and the guidelines of the Federal Judicial Center. The Claim Administrator shall implement the Notice Plan by the deadlines set forth therein. As further detailed in the Notice Plan, the following forms of notice to Class attached to **Exhibit B** to the Stipulation are hereby approved. Notice to the Class Members of the terms of the Stipulation shall be provided substantially in the form of **Exhibit B1** to the

³ Also excluded are (1) the Honorable Christina Snyder, the Honorable Gerald Rosen, and the Honorable Christopher Sontchi; (2) any member of their immediate families; (3) any government entity, (4) the Debtors; (5) any entity in which Debtors have a controlling interest; (6) any of Debtors’ subsidiaries, parents, affiliates, officers, directors, employees, legal representatives, heirs, successors, or assigns; (7) Mattel, Inc. and its subsidiaries, parents, affiliates, and officers, directors, employees, legal representatives, heirs, successors, or assigns; (8) counsel for the Parties; and (9) any persons who timely opt out of the Class.

Stipulation (the “*Long Form Notice*”), which shall be posted on a dedicated settlement website (the “*Settlement Website*”) to be maintained by the Claim Administrator, with a copy posted on the home page of the website already maintained by Kurtzman Carson Consultants LLC for this bankruptcy proceeding. Notice substantially in the form of **Exhibit B2** to the Stipulation (the “*Email Notice*”) shall be sent by email to Class Members for whom email addresses were produced by the Fuhu Defendants in the Class Action and that remain available. Notice substantially in the form of **Exhibit B3** to the Stipulation (the “*Published Notice*”) and **Exhibit B4** to the Stipulation (the “*Online Notice*”) shall be published respectively in print publications and/or as online banner or social media advertising, as designated by the Claim Administrator and approved by this Bankruptcy Court, so that reasonable notice is provided to Class Members of this Motion and their rights hereunder. In addition, the Claim Administrator shall provide notice in compliance with the Class Action Fairness Act, 28 U.S.C. § 1715 (“*CAFA Notice*,” collectively with the Long Form Notice, the Email Notice, the Published Notice and the Online Notice, the “*Class Settlement Notices*”). At least five days prior to the Final Approval Hearing, the Claim Administrator shall provide a declaration to this Bankruptcy Court certifying that the Class Settlement Notices were provided as set forth herein.

8. Each Class Member shall have the right to file a claim for a portion of the Class Distributions by submitting a claim form substantially in the form of Exhibit C to the Stipulation.

9. The automatic stay is modified solely if and to the extent necessary to implement the terms of the Stipulation.

10. This Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation or enforcement of the

Stipulation and this Order.

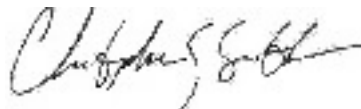
11. The Final Approval Hearing on the Motion is scheduled for **September 10, 2019 at 10:00 a.m. (prevailing Eastern Time)**.

12. Any objections by any Class Members to final approval of the Motion shall comply with the requirements set forth in the Long Form Notice and be filed with the Court and served on Class Counsel and counsel to the Liquidating Trustee on or before **August 20, 2019**.

13. Any responses to objections to the Motion shall be filed with the Court on or before **September 3, 2019**.

14. Class Members may exclude themselves from the settlement by submitting a request for exclusion, as described in the Long Form Notice, on or before **August 20, 2019**. On or before **September 3, 2019**, the Claim Administrator shall submit a declaration listing all persons who submitted a timely request for exclusion.

15. In the event that the Stipulation is not finally approved, this Order shall be null and void and the parties shall be returned to their status quo ante except as set forth in Paragraph 10 of the Stipulation, which shall remain in full force and effect.



Dated: May 7th, 2019
Wilmington, Delaware

CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE