

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

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In re: : Chapter 11
:
ADVANTA CORP., *et al.*,¹ : Case No. 09-13931 (KJC)
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Debtors. : (Jointly Administered)
:
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Advanta Bank Corp., :
Plaintiff, :
v. : Adv. Pro. No. 10-50795 (KJC)
Advanta Corp., :
Defendant. :

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**MOTION FOR SHORTENED NOTICE AND AN EXPEDITED HEARING ON THE
MOTION OF ADVANTA BANK CORP. FOR TEMPORARY RESTRAINING ORDER
AND INJUNCTIVE RELIEF AGAINST ADVANTA CORP.**

Advanta Bank Corp. (“ABC”), by and through its undersigned counsel, hereby
moves (the “Motion to Shorten”) this Court for entry of an Order scheduling an emergency

¹ The Debtors in these jointly administered chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Advanta Corp. (2070), Advanta Investment Corp. (5627), Advanta Business Services Holding Corp. (4047), Advanta Business Services Corp. (3786), Advanta Shared Services Corp. (7074), Advanta Service Corp. (5625), Advanta Advertising Inc. (0186), Advantennis Corp. (2355), Advanta Mortgage Holding Company (5221), Advanta Auto Finance Corporation (6077), Advanta Mortgage Corp. USA (2654), Advanta Finance Corp. (8991), Advanta Ventures Inc. (5127), BizEquity Corp. (8960), Ideablob Corp. (0726), Advanta Credit Card Receivables Corp. (7955), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Each of the Debtors (other than Advanta Credit Card Receivables Corp. and the Great Expectations entities) maintains its principal corporate office at Welsh &McKean Roads, P.O. Box 844, Spring House, Pennsylvania 19477-0844. Advanta Credit Card Receivables Corp. maintains its principal corporate office at 2215 B. Renaissance Drive, Suite 5, Las Vegas, Nevada 89119, and the Great Expectations entities maintain their principal corporate office at 1209 Orange Street, Wilmington, Delaware 1980I. In accordance with an order of this Court, the Debtors’ cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

hearing on the Motion of Advanta Bank Corp. for Temporary Restraining Order and Injunctive Relief Against Advanta Corp. (the “TRO Motion”), filed contemporaneously herewith, and limiting the notice required. In support of this Motion to Shorten, ABC respectfully states as follows

JURISDICTION

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are section 105 of Title 11 of the United States Code (11 U.S.C. § 101 *et seq.* as amended, the “Bankruptcy Code”), Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 9006-1(e) of the Local Rules of Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”).

BACKGROUND

3. Debtor Advanta Corp. (“Advanta”) is the common parent of an affiliated group of corporations, including ABC (the “Consolidated Group”). As such, Advanta files a consolidated return for the Consolidated Group for federal income tax purposes.

4. Upon information and belief, the Consolidated Group will report a net consolidated loss in 2009, and Advanta may elect to carry the 2009 net operating loss to the Consolidated Group’s preceding five taxable years. ABC’s preliminary estimates indicate that the potential refund from the Internal Revenue Service associated with such an election would be approximately \$54 million (the “Anticipated Refund”). ABC will be entitled to a substantial portion of the Anticipated Refund pursuant to and in accordance with the Consolidated Group’s tax sharing agreement dated May 1, 1995 (the “TSA”).

5. The five-year net loss carryback claim is a limited opportunity provided for under recent changes to the tax law. The five-year net loss carryback election (the “NOL Election”) must be made by the common parent of an affiliated group filing a consolidated return. The NOL Election must be filed with the income tax return for the taxable year of the applicable net operating loss on or before the due date.

6. The due date for Advanta to file the consolidated return for the Consolidated Group is Monday, March 15, 2010 (the “Filing Deadline”). Despite request, Advanta has not informed ABC whether it has made the NOL Election or whether it will do so by the Filing Deadline.

RELIEF REQUESTED

7. Pursuant to Rule 9006(c)(1) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Bankruptcy Rules 9007 and 2002(m), and Delaware Bankruptcy Local Rule 9006-1(e), this Court may shorten the notice period for the hearing on the TRO Motion and grant expedited consideration thereof. Pursuant to Delaware Bankruptcy Local Rule 9006-1(e), no hearing on this Motion to Shorten is required.

8. By this Motion to Shorten, ABC requests that the time period for notice in connection with the TRO Motion be shortened so that the TRO Motion can be heard by the Filing Deadline. ABC further requests that the Court allow any objections to the TRO Motion to be heard at the hearing.

9. Cause exists to shorten the time by which a hearing should be held to consider the relief sought in the TRO Motion. ABC’s preliminary estimates indicate that the potential refund associated with the five-year net loss carryback election would be approximately \$54 million. The NOL Election must be made by Monday, March 15, 2010, or the right to take the NOL

Election will be forever extinguished. Advanta has refused to inform ABC of whether it has made the NOL Election or whether it will do so by the Filing Deadline.

10. Given that the next omnibus hearing date in these cases is not scheduled to occur until after the Filing Deadline, ABC seeks to shorten notice on the TRO Motion. If the hearing on the TRO Motion does not take place by the Filing Deadline, Advanta will be forever barred from receiving the Anticipated Refund, and ABC will be severely prejudiced.

A. Request for Limitation of Notice

11. The necessity of an emergency hearing on the TRO Motion precludes ABC's ability to provide notice in a timely manner to all parties otherwise required under the Federal and Local Rules.

12. ABC therefore requests that notice of the TRO Motion and this Motion to Shorten be limited to hand delivery upon the Debtors, the Official Committee of Unsecured Creditors ("Committee"), and the Office of the United States Trustee. Based on the foregoing, ABC submits that the requested relief is necessary and appropriate.

13. Pursuant to Local Rule 9006-1(e), the Court may rule on this Motion to Shorten without the need for a hearing, and ABC respectfully requests that the Motion to Shorten be granted without further hearing.

WHEREFORE, ABC respectfully requests the entry of an Order in the form attached hereto as Exhibit A: (i) shortening the applicable notice period with respect to the TRO Motion; (ii) scheduling a hearing on the TRO Motion for March 15, 2010; (iii) permitting any objections or other responses to be considered at the time of the hearing; and (iv) granting such other and further relief as the Court deems just and proper.

Dated: March 14, 2010
Wilmington, DE

PEPPER HAMILTON LLP

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Counsel to Advanta Bank Corp.

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

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In re:	:	Chapter 11
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ADVANTA CORP., <i>et al.</i> , ¹	:	Case No. 09-13931 (KJC)
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Debtors.	:	(Jointly Administered)
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Advanta Bank Corp.,	:	
Plaintiff,	:	
v.	:	Adv. Pro. No. <u>10-50795</u> (KJC)
Advanta Corp.,	:	
Defendant.	:	
	:	Related Docket No. _____

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ORDER GRANTING MOTION FOR SHORTENED NOTICE AND AN EXPEDITED HEARING ON THE MOTION OF ADVANTA BANK CORP. FOR TEMPORARY RESTRAINING ORDER AND INJUNCTIVE RELIEF AGAINST ADVANTA CORP.

UPON THE MOTION (the “Motion to Shorten”) of Advanta Bank Corp.

(“ABC”) for entry of an Order Shortening Notice and Scheduling an Expedited Hearing on the

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Motion of Advanta Bank Corp. for Temporary Restraining Order and Injunctive Relief Against Advanta Corp. (the “TRO Motion”), and having given due consideration to the Motion to Shorten, and this Court possessing jurisdiction to consider the Motion to Shorten, and venue lying appropriately with this Court, and notice of the Motion to Shorten being sufficient under the circumstances, and the relief requested by the Motion to Shorten being just and proper, IT IS HEREBY ORDERED THAT:

1. The Motion to Shorten is GRANTED.
2. This Court will hold a hearing on the TRO Motion on March 15, 2010, at __:____ __.m at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom #5, Wilmington, DE 19801.
3. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2010
Wilmington, Delaware

HONORABLE KEVIN J. CAREY, CHIEF JUDGE
UNITED STATES BANKRUPTCY JUDGE