

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re

ADVANTA CORP., *et al.*,

Debtors.

Chapter 11

Case No. 09-13931 (KJC)
(Jointly Administered)

**DECLARATION OF KENNETH MICHAEL GOLDMAN
IN SUPPORT OF MOTION TO EMERGENCY MOTION OF ADVANTA BANK CORP.
FOR ENTRY OF AN ORDER COMPELLING DEBTOR ADVANTA CORP. TO (1)
TIMELY FILE A REQUEST FOR AN EXTENSION OF TIME TO FILE 2009
CONSOLIDATED FEDERAL INCOME TAX RETURN, OR IN THE ALTERNATIVE
(2) ELECT TO CARRY BACK 2009 CONSOLIDATED NET OPERATING LOSSES
FIVE YEARS**

COMMONWEALTH OF PENNSYLVANIA)

) ss:

COUNTY OF PHILADELPHIA)

Kenneth Michael Goldman, being duly sworn, deposes and states:

1. I am the Executive Vice President and Chief Financial Officer of Advanta Bank Corp., a non-debtor, wholly owned subsidiary of Debtor.

2. On Thursday, March 11, 2010, I placed calls to Don Albert, tax director for Debtor to ascertain whether Debtor intended to file for an extension of its 2009 federal tax return. I also placed a call to Carlo Toscano, KPMG Tax Partner and left a message with the same question. I then placed a call to John Depman, KPMG Audit Partner and outlined questions regarding the timing of the extension and election of five-year carryback. John indicated he would call back shortly.

3. On Thursday, March 11, 2010, I then received a call back from John Depman and Carlo Toscano. They confirmed that an extension would need to be requested by March 15, 2010 if tax return was not filed at that time. An extension would serve to preserve the

rights to opt-in to the five year net operating loss election as well as other options that were available at the filing date (e.g. default two year election or to opt out of two year election). I inquired if the return were filed with an election of net operating loss carryback, whether such election was irrevocable, or if an amended return could be filed with a different election. Carlo indicated he was pretty sure that it would be irrevocable but suggested consultation with counsel. Carlo noted that if an extension was requested for a return, that a confirmation/acknowledgement would typically be provided to the taxpayer. I asked them if they typically review the consolidated tax return of Advanta Corp. They noted that they do, and sign as preparer, and the time frame in prior years has been during the summer for a September 15 (extended) filing date.

4. During the same conversation outlined in Paragraphs 2 and 3, I asked John Depman and Carlo Toscano of KPMG if they had worked on the 2009 Advanta corporate federal tax return. Carlo indicated they had not. John Depman indicated that communications processes were not working like they used to and that I should derive no assurance from Carlo's statement about the status of the tax return. John also indicated that if they had been working on the return, he would not be authorized to discuss it.

5. During the same conversation outlined in Paragraphs 2, 3, and 4, I then asked John Depman and Carlo Toscano if they were aware of any other tax professionals engaged to work on the Advanta 2009 federal tax return. They said they were not aware.

6. Later in the day on March 11, 2010, I received a call back from Don Albert, Tax Director at Advanta Shared Services. We discussed unrelated state tax matters. I asked Don if I could receive a copy of the extension confirmation for the 2009 consolidated return. His response was that he was not allowed to discuss federal tax matters. I asked if he could respond either yes or no to the question of whether Advanta had filed for an extension to

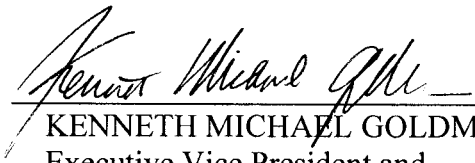
their 2009 federal tax return. He repeated that he was not authorized to discuss these matters, only the state items we discussed earlier in the call. I asked if he thought Phil Browne , Advanta CFO, was authorized to discuss these matters and he said he thought he might be.

7. Subsequently to the March 11, 2010 call with Don Albert, I called Phil Browne, Advanta CFO, and spoke with his administrative assistant, Kathy Kinkade. I asked that she have Phil return my call and also let him know that I was leaving him a voice mail. I left a voice mail that I wanted to understand the status of the federal consolidated tax return for 2009 and would like to receive a copy of any extension confirmation from the IRS.

8. I sent Phil Browne an email on March 11, 2010: “Phil, as per my voice mail has Corp filed request for federal tax return extension? Can I have a copy of confirmation? When do you anticipate filing 09 return?”

9. As of March 12, 2010, 4:00 PM, I have had no response from Phil Browne.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct.

By: 
KENNETH MICHAEL GOLDMAN
Executive Vice President and
Chief Financial Officer
Advanta Bank Corp.