

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

	X	
	:	Chapter 11
<i>In re</i>	:	
	:	Case No. 09-13931 (KJC)
ADVANTA CORP., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	
	:	Obj. Deadline: November 27, 2009 at 4:00 p.m. (EST)
	:	Hearing Date: December 4, 2009 at 11:00 a.m. (EST)

**APPLICATION OF THE DEBTORS AND DEBTORS-IN-POSSESSION  
FOR ENTRY OF AN ORDER AUTHORIZING THE RETENTION AND  
EMPLOYMENT OF RICHARDS, LAYTON & FINGER, P.A. AS CO-COUNSEL TO  
THE DEBTORS *NUNC PRO TUNC* TO THE COMMENCEMENT DATE  
PURSUANT TO SECTION 327(a) OF THE BANKRUPTCY CODE**

The above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby submit this application (the “Application”) for the entry of an order, substantially in the form attached hereto as Exhibit A, authorizing the Debtors to retain and employ Richards, Layton & Finger, P.A. (“RL&F”) as its bankruptcy co-counsel *nunc pro tunc* to the Commencement Date (as defined below). In support of this Application, the Debtors respectfully state as follows:

**JURISDICTION**

1. This Court has jurisdiction over this Application under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue of this

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<sup>1</sup> The Debtors in these 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), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Each of the Debtors (other than the Great Expectations entities) maintains its principal corporate office at Welsh & McKean Roads, P.O. Box 844, Spring House, Pennsylvania 19477-0844. The Great Expectations entities maintain their principal corporate office at 1209 Orange Street, Wilmington, Delaware 19801.

proceeding and this Application in this District is proper under 28 U.S.C. §§ 1408 and 1409. The statutory basis for the relief requested herein is section 327(a) of the Bankruptcy Code.

### **BACKGROUND**

2. On November 8, 2009 (the “Commencement Date”), the Debtors each commenced with this Court a voluntary case (the “Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). As of the Commencement Date, the Debtors are authorized to continue to operate their businesses and manage their properties as debtors and debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Further, in accordance with an order of this Court, the Chapter 11 Cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). Additional information regarding the Debtors’ business and the background relating to events leading up to the Chapter 11 Cases can be found in the Declaration of William A. Rosoff in Support of the Debtors’ Chapter 11 Petitions and First-Day Motions (the “Rosoff Declaration”), filed on the Commencement Date.

### **RETENTION OF RICHARDS, LAYTON & FINGER, P.A.**

3. Subject to approval of this Court, the Debtors wish to employ RL&F as their co-counsel in connection with the commencement and prosecution of the Chapter 11 Cases. Pursuant to section 327(a) of the Bankruptcy Code, the Debtors request that the Court approve the employment of RL&F under an evergreen retainer *nunc pro tunc* to the Commencement Date to perform the extensive legal services that have been and will be necessary during the Chapter 11 Cases.

4. By separate application, the Debtors are seeking to employ and retain, pursuant to section 327(a) of the Bankruptcy Code, the law firm of Weil, Gotshal & Manges LLP (“Weil Gotshal”) as co-counsel in the Chapter 11 Cases. However, due to the extensive legal services

that will be necessary during the Chapter 11 Cases, the Debtors submit that it is also essential for them to employ RL&F as co-counsel. Moreover, pursuant to Rules 9010-1(c) and 9010-1(d) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the Debtors are required to retain Delaware counsel. Weil Gotshal and RL&F have discussed a division of responsibilities regarding representation of the Debtors and will make every effort to avoid and/or minimize duplication of services in the Chapter 11 Cases.

5. The Debtors have selected RL&F as their co-counsel because of the firm’s extensive experience and knowledge in the field of debtors’ and creditors’ rights, business reorganizations and liquidations under chapter 11 of the Bankruptcy Code, its expertise, experience, and knowledge practicing before this Court, its proximity to the Court and its ability to respond quickly to emergency hearings and other emergency matters in this Court. Moreover, prior to the Commencement Date, RL&F rendered legal services and advice to the Debtors. During the course of this representation, RL&F has acquired knowledge of the Debtors’ business, financial affairs and capital structure. The Debtors believe that RL&F is both well qualified and uniquely able to represent them in the Chapter 11 Cases in a most efficient and timely manner.

6. The services of RL&F under an evergreen retainer are necessary to enable the Debtors to execute faithfully their duties as debtors-in-possession. Subject to further order of this Court, RL&F will render the following professional services:

- a. advise the Debtors of their rights, powers and duties as debtors and debtors-in-possession in the continued operation of their business and management of their properties;
- b. take all necessary action to protect and preserve the Debtors’ estates, including the prosecution of actions on the Debtors’ behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in

which the Debtors are involved, and the preparation of objections to claims filed against the Debtors' estates;

- c. prepare on behalf of the Debtors all necessary motions, applications, answers, orders, reports and papers in connection with the administration of the Debtors' estates;
- d. attend meetings and negotiations with representatives of creditors, equity holders or prospective investors or acquirers and other parties-in-interest;
- e. appear before the Court, any appellate courts and the Office of the United States Trustee to protect the interests of the Debtors;
- f. pursue approval of confirmation of a plan of reorganization and approval of the corresponding solicitation procedures and disclosure statement; and
- g. perform all other necessary legal services in connection with the Chapter 11 Cases.

7. Given the extensive nature of the services that will be provided to the Debtors, it is necessary that the Debtors employ RL&F under an evergreen retainer to render the foregoing professional services.

8. RL&F has stated its desire and willingness to act in this case and to render the necessary professional services as co-counsel to the Debtors. Furthermore, to the best of the Debtors' knowledge, the directors and associates of RL&F do not have any connection with or any interest adverse to the Debtors, their creditors, or any other party-in-interest, or their respective attorneys, except as set forth herein and in the affidavit of Mark D. Collins, a director of RL&F (the "Collins Affidavit"), a copy of which is attached hereto as Exhibit B.

9. RL&F intends to apply to the Court for allowance of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules. The Debtors, subject to the provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, propose to pay RL&F its customary hourly rates in effect from time to time as set forth in the Collins Affidavit. The Debtors submit that these rates are reasonable.

### **EVERGREEN RETAINER REQUESTED**

10. Prior to the Commencement Date, the Debtors paid RL&F a total retainer of \$100,000.00 (the “Retainer”) in connection with and in contemplation of the Debtors’ chapter 11 filings. The Debtors assert that these types of retainer agreements reflect normal business terms in the marketplace. See In re Insilco Technologies, Inc., 291 B.R. 628, 634 (Bankr. D. Del. 2003) (“the practice [of receiving security retainers] in this district has been engaged in since at least the early 1990’s”). As is set forth more fully in the Collins Affidavit, the Debtors propose that the retainer monies paid to RL&F and not expended for prepetition services and disbursements be treated as an evergreen retainer to be held by RL&F as security throughout the Chapter 11 Cases until RL&F’s fees and expenses are awarded by final order and are then payable to RL&F.

### **NOTICE**

11. Notice of this Application will be provided to (i) the Office of the United States Trustee for the District of Delaware; (ii) the Debtors’ 30 largest unsecured creditors (on a consolidated basis); (iii) Bank of New York Mellon as trustee under the Investment Note Indenture and 8.99% Indenture (both as defined in the Rosoff Declaration); and (iv) those parties who have requested notice pursuant to Bankruptcy Rule 2002. The Debtors respectfully submit that no further notice of this Application is required.

### **NO PRIOR REQUEST**

12. No prior request for the relief sought in this Application has been made to this or any other court.

WHEREFORE, for the reasons set forth herein, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief the Court deems just and proper.

Dated: November 16, 2009

ADVANTA CORP.

By: 

Name: William A. Rosoff

Title: President and Vice Chairman of the Board

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

	X	
	:	Chapter 11
<i>In re</i>	:	
	:	Case No. 09-13931 (KJC)
ADVANTA CORP., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	
	:	<b>Obj. Deadline: November 27, 2009 at 4:00 p.m. (EST)</b>
	:	<b>Hearing Date: December 4, 2009 at 11:00 a.m. (EST)</b>

**NOTICE OF APPLICATION AND HEARING**

PLEASE TAKE NOTICE that, on November 16, 2009, the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), filed the **Application of the Debtors and Debtors-in-Possession for Entry of an Order Authorizing the Retention and Employment of Richards, Layton & Finger, P.A. as Co-counsel to the Debtors *Nunc Pro Tunc* to the Commencement Date Pursuant to Section 327(a) of the Bankruptcy Code** (the “Application”) with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Application must be in writing, filed with the Clerk of the Bankruptcy Court and served upon and received by the undersigned proposed counsel for the Debtors on or before **November 27, 2009 at 4:00 p.m. (Eastern Standard Time)**.

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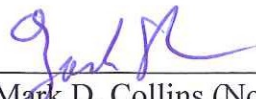
<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are Advanta Corp. (2070), Advanta Investment Corp. (5627), Advanta Business Services Holding Corp. (4047), Advanta Business Services Corp. (3786), Advanta Shared Services Corp. (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), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Each of the Debtors (other than the Great Expectations entities) maintains its principal corporate office at Welsh & McKean Roads, P.O. Box 844, Spring House, Pennsylvania 19477-0844. The Great Expectations entities maintain their principal corporate office at 1209 Orange Street, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that if any objections to the Application are timely-filed, served and received and such objections are not otherwise timely resolved, a hearing to consider such objections and the Application will be held before The Honorable Kevin J. Carey at the Bankruptcy Court, 824 North Market Street, 5<sup>th</sup> Floor, Courtroom 5, Wilmington, Delaware 19801 on **December 4, 2009 at 11:00 a.m. (Eastern Standard Time)**.

IF NO OBJECTIONS TO THE APPLICATION ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.



Dated: November 16, 2009  
Wilmington, Delaware

  
\_\_\_\_\_  
Mark D. Collins (No. 2981)  
Paul N. Heath (No. 3704)  
Chun I. Jang (No. 4790)  
Zachary I. Shapiro (No. 5103)  
RICHARDS, LAYTON & FINGER, P.A.  
One Rodney Square  
920 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 651-7700  
Facsimile: (302) 651-7701

- and -

WEIL, GOTSHAL & MANGES LLP  
Marcia L. Goldstein  
Robert J. Lemons  
767 Fifth Avenue  
New York, NY 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007

PROPOSED ATTORNEYS FOR  
DEBTORS AND DEBTORS IN  
POSSESSION

## **EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

	X	
	:	Chapter 11
<i>In re</i>	:	
	:	Case No. 09-13931 (KJC)
ADVANTA CORP., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	
	:	Re: Docket No. ____

**ORDER AUTHORIZING THE RETENTION AND  
EMPLOYMENT OF RICHARDS, LAYTON & FINGER, P.A. AS  
CO-COUNSEL TO THE DEBTORS *NUNC PRO TUNC* TO THE COMMENCEMENT  
DATE PURSUANT TO SECTION 327(a) OF THE BANKRUPTCY CODE**

Upon the application (the "Application") of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for the entry of an order (this "Order") authorizing the Debtors to retain and employ Richards, Layton & Finger, P.A. ("RL&F") as their bankruptcy co-counsel *nunc pro tunc* to the Commencement Date;<sup>2</sup> and the Court having reviewed the Application; and the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (c) notice of this Application was sufficient under the circumstances; and the Court having considered the Collins Affidavit; and the Court having determined that the legal

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<sup>1</sup> The Debtors in these 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), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Each of the Debtors (other than the Great Expectations entities) maintains its principal corporate office at Welsh & McKean Roads, P.O. Box 844, Spring House, Pennsylvania 19477-0844. The Great Expectations entities maintain their principal corporate office at 1209 Orange Street, Wilmington, Delaware 19801.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

and factual bases set forth in the Application and the Collins Affidavit establish just cause for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Application is GRANTED, *nunc pro tunc* to the Commencement Date.
2. The Debtors shall be, and hereby are, authorized to employ and retain RL&F as their co-counsel under an evergreen retainer in accordance with the terms and conditions set forth in the Application.
3. RL&F shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable Bankruptcy Rules, the Local Rules and any other such procedures as may be fixed by order of this Court.
4. The prepetition retainer monies paid to RL&F and not expended for prepetition services and disbursements shall be held by RL&F as an evergreen retainer as security throughout the Chapter 11 Cases until RL&F's fees and expenses are awarded and payable to RL&F on a final basis.
5. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
6. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

7. The Court shall retain jurisdiction over any and all issues arising from or related to the implementation and interpretation of this Order.

Dated: \_\_\_\_\_, 2009  
Wilmington, Delaware

\_\_\_\_\_  
THE HONORABLE KEVIN J. CAREY  
CHIEF UNITED STATES BANKRUPTCY JUDGE

## **EXHIBIT B**

	-----X	
	:	Chapter 11
<i>In re</i>	:	
	:	Case No. 09-13931 (KJC)
ADVANTA CORP., <i>et al.</i> ,	:	
	:	(Jointly Administered)
Debtors. <sup>1</sup>	:	
	:	
	-----X	

STATE OF DELAWARE )  
 ) SS:  
COUNTY OF NEW CASTLE )

1. I am an attorney admitted to practice in the State of Delaware and before this Court, and am a director of the firm of Richards, Layton & Finger, P.A. ("RL&F"). RL&F is a Delaware law firm with its offices at One Rodney Square, 920 North King Street, Wilmington, Delaware 19801.

<sup>1</sup> The Debtors in these 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), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Each of the Debtors (other than the Great Expectations entities) maintains its principal corporate office at Welsh & McKean Roads, P.O. Box 844, Spring House, Pennsylvania 19477-0844. The Great Expectations entities maintain their principal corporate office at 1209 Orange Street, Wilmington, Delaware 19801.

approving the employment and retention of RL&F as co-counsel in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), which were each commenced on November 8, 2009 (the “Commencement Date”), in compliance with and to provide disclosure pursuant to sections 329 and 504 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), and Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). Unless otherwise stated in this affidavit, I have personal knowledge of the facts hereinafter set forth. To the extent that any information disclosed herein requires amendment or modification upon RL&F’s completion of further analysis or as additional creditor information becomes available to it, RL&F will submit a supplemental affidavit to the Court. Subject to approval of this Court and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), RL&F intends to apply for compensation for professional services rendered in connection with the Chapter 11 Cases, plus reimbursement of actual, necessary expenses and other charges incurred by RL&F during the Chapter 11 Cases. The principal professionals and paraprofessionals designated to represent the Debtors and their current standard hourly rates are as follows:

- |     |                   |                |
|-----|-------------------|----------------|
| (a) | Mark D. Collins   | \$675 per hour |
| (b) | Paul N. Heath     | \$525 per hour |
| (c) | Chun I. Jang      | \$300 per hour |
| (d) | Julie Finocchiaro | \$245 per hour |
| (e) | Jamie Schairer    | \$195 per hour |

3. The hourly rates set forth above are RL&F’s standard hourly rates for work of this nature. These rates are set at a level designed to compensate RL&F fairly for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. The hourly rates set



forth above are subject to periodic adjustments to reflect economic and other conditions. Other attorneys and paralegals within RL&F may from time to time serve the Debtors in connection with the matters described herein.

4. It is RL&F's policy to charge its clients in all areas of practice for all other expenses incurred in connection with the client's case. The expenses charged to clients include, among other things, telephone and telecopier toll and other charges, regular mail and express mail charges, special or hand delivery charges, document processing, printing/photocopying charges, travel expenses, expenses for "working meals," computerized research, transcription costs as well as non-ordinary overhead expenses such as secretarial and other overtime. RL&F will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to RL&F's other clients or as previously fixed by this Court. RL&F believes that it is more fair to charge these expenses to the clients incurring them than to increase the hourly rates and spread the expenses among all clients.

5. Neither I, RL&F, nor any director or associate of RL&F, insofar as I have been able to ascertain, has in the past represented the Debtors' largest creditors, any significant beneficiaries of the Debtors (holding 5% or more of the beneficial interests in any of the Debtors) or any Potential Party in Interest (as defined below), except as hereinafter set forth.

6. In preparing this affidavit, we used a set of procedures established by RL&F to insure compliance with the requirements of the Bankruptcy Code and the Bankruptcy Rules regarding retention of professionals by a debtor or official committee under the Bankruptcy Code. In that regard, RL&F requested and obtained from the Debtors a list of the names of persons or entities who may be parties-in-interest in the Chapter 11 Cases, including, inter alia,

the Debtors' secured creditors, the Debtors' largest unsecured creditors, present officers and directors and parties holding equity interests in the Debtors (the "Potential Parties in Interest").

7. RL&F maintains and systematically updates its conflict check system in the regular course of its business, and it is the regular practice of RL&F to make and maintain these records. The conflict system maintained by RL&F is designed to include (i) every matter on which it is now or has been engaged, (ii) the person or entity by which it is now or has been engaged, (iii) the identity of related parties, (iv) the identity of adverse parties and (v) the attorney at RL&F that is knowledgeable about the matter. It is the policy of RL&F that no new matter may be accepted or opened within the firm without completing and submitting to those charged with maintaining the conflict check system the information necessary to check each such matter for conflicts, including the identity of the prospective client, the matter and the related and adverse parties. Accordingly, the database is updated for every new matter undertaken by RL&F. The scope of the system is a function of the completeness and accuracy of the information submitted by the attorney opening a new matter.

8. RL&F has in the past represented, currently represents and/or may in the future represent, in matters wholly unrelated to this case, certain Potential Parties in Interest (including, without limitation, those entities set forth on Exhibit 1 attached hereto who are current clients or are affiliates thereof, and those entities or affiliates thereof set forth on Exhibit 2 attached hereto who have been represented by RL&F within the last five (5) years). I do not believe that any single matter is a major engagement that would involve either the billing of fees in excess of one half of one percent (.5%) of RL&F's annual fees billed, or that, in the aggregate for any affiliated group of entities, exceeds one percent (1%) of RL&F's annual fees billed. In any event, RL&F

will not represent any of the foregoing claimants or any party in interest in any facet of the Chapter 11 Cases.

9. Further, from approximately July 2000 to the date hereof, RL&F has acted as, and continues to act as, special Delaware counsel to Advanta Business Card Master Trust, a common law trust created under the laws of the state of Delaware (the “Trust”), in connection with the Trust’s issuance of multiple series of notes stemming from Advanta Business Receivables Corp.’s assignment of receivables to the Trust. In connection with these transactions, RL&F only represents the Trust and Wilmington Trust Company, solely in its capacity as trustee of the Trust, and does not represent, and has not represented, Advanta Business Receivables Corp., a non-Debtor affiliate, in these transactions.

10. I do not believe there is any connection or interest (as such terms are used in section 101(14) of the Bankruptcy Code and Bankruptcy Rule 2014(a)) between RL&F and (i) the United States Trustee or any person employed by the Office of the United States Trustee or (ii) any counsel, accountants, financial consultants and investment bankers who represent or may represent claimants or other parties-in-interest in the Chapter 11 Cases. In addition, as part of its practice, RL&F appears in cases, proceedings and transactions involving many different attorneys, counsel, accountants, financial consultants and investment bankers, some of which now or may in the future represent claimants and parties-in-interest in the Chapter 11 Cases. RL&F has not and will not represent any such persons or entities in relation to the Debtors and the Chapter 11 Cases nor have any relationship with any such persons or entities that would be adverse to the Debtors or their estates in the matters upon which RL&F is to be employed.

11. Prior to the Commencement Date, RL&F rendered legal services to the Debtors in connection with the preparation of and commencement of the Chapter 11 Cases. In connection

therewith, RL&F received a total retainer of \$100,000.00 for the payment of prepetition services and related expenses. This payment has been applied to outstanding balances existing as of the Commencement Date (the “Draw Down Amount”). An accounting summary of payments made to RL&F and estimated amounts incurred by RL&F is attached hereto as Exhibit 3. As of the Commencement Date, RL&F had \$0.00 in its retainer account. After RL&F does a final accounting of all amounts actually incurred as fees and expenses prior to the Commencement Date, RL&F will do a true-up against the Draw Down Amount and credit back into the retainer account any excess amounts. The Debtors propose that any such excess amounts be treated as an evergreen retainer to be held by RL&F as security throughout the Chapter 11 Cases until RL&F’s fees and expenses are awarded by final order and payable to RL&F.

12. Except as set forth herein, and based upon the information available to me, neither I, RL&F nor any director or associate thereof, insofar as I have been able to ascertain, holds or represents any interest adverse to any of the Debtors or their estates in the matters upon which RL&F is to be employed. Based upon the information available to me, I believe that RL&F is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code.


13. No promises have been received by RL&F, or by any director or associate thereof, as to compensation in connection with the Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules. RL&F has no agreement with any other person or entity to share with such person or entity any compensation received by RL&F.

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

Dated: November 16, 2009

  
Mark. D. Collins

SWORN TO AND SUBSCRIBED before  
me this 16th day of November, 2009

  
Notary Public

CATHY MILLER GREER  
Notary Public - State of Delaware  
My Comm. Expires Jan. 28, 2011

### **Exhibit 1<sup>1</sup> – Current Clients<sup>2</sup>**

- Axis Insurance Company and certain affiliates thereof
- Bank of America Corp. and certain affiliates thereof
- Bank of New York Mellon and certain affiliates thereof
- certain affiliates of CCI Mechanical Service
- certain affiliates of Chase Manhattan Mortgage Corporation
- certain affiliates of Citicorp Vendor Finance, Inc.
- Deutsche Bank Trust Company (Americas) and certain affiliates thereof
- certain affiliates of the Federal Reserve Board
- Federal Insurance Company and certain affiliates thereof
- certain affiliates of Fleet Credit Card Services, L.P.
- General Electric Capital Corp. and certain affiliates thereof
- certain affiliates of Konica Minolta Business
- Lexis-Nexis
- certain affiliates of National Union Fire Insurance Company
- certain affiliates of NCB Management Services, Inc.
- Peco Energy and certain affiliates thereof
- Robert Toll
- certain affiliates of R&R Enterprises
- certain affiliates of Schwab Retirement Plan Services Inc.
- Sprint and certain affiliates thereof
- certain affiliates of Tango Financial Services, Inc.
- XL Specialty Insurance Company and certain affiliates thereof
- Visa Inc. and certain affiliates thereof
- Wachovia and certain affiliates thereof

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<sup>1</sup> Parties that are both current clients and former clients of RL&F are only listed on Exhibit 1—Current Clients.

<sup>2</sup> Due to the similarity of names of certain entities, RL&F was not able to determine if all entities listed herein are actually affiliates of current clients. However, out of an abundance of caution, RL&F has listed those entities which it reasonably believes may be affiliates of current clients.

## **Exhibit 2 – Former Clients<sup>1</sup>**

- certain affiliates of Avis Rent a Car System, Inc.
- certain affiliates of Experian
- First Data
- certain affiliates of FPG Ventures LLC
- certain affiliates of Genpact US LLC
- certain affiliates of Nevada Life and Health Insurance

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<sup>1</sup> Due to the similarity of names of certain entities, RL&F was not able to determine if all entities listed herein are actually affiliates of former clients. However, out of an abundance of caution, RL&F has listed those entities which it reasonably believes may be affiliates of former clients.

**Exhibit 3**

**ACCOUNTING SUMMARY OF PAYMENTS**

<b>Date</b>	<b>Transaction</b>	<b>Amount</b>	<b>Retainer Balance</b>
10/23/2009	Retainer received by RL&F for restructuring services via wire transfer by Advanta Corp.	\$100,000.00	\$100,000.00
11/06/2009	Retainer amount drawn down based on restructuring services performed and anticipated to be performed from September 2009 through the Commencement Date. This amount represents a good faith estimate of the fees and expenses associated with all such services, including fees and expenses already recorded in RL&F's billing system and those not yet recorded in the system. RL&F will submit a reconciliation of the actual prepetition fees and expenses in the near future. Any portion of the \$100,000.00 drawn on 11/6/2009, which, upon the reconciliation, is not attributed to prepetition fees and expenses, will be added to the retainer balance.	\$100,000.00	\$0.00