

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE 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>	:	
	:	Hearing: May 10, 2010 at 1:30 p.m.
-----X	:	Obj. Deadline: May 3, 2010 at 4:00 p.m.

**MOTION FOR AUTHORITY TO ASSUME UNEXPIRED  
LEASE OF NON-RESIDENTIAL REAL PROPERTY AT 417 CAREDEAN DRIVE**

Advanta Corp. (“*Advanta*”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together with Advanta, the “*Debtors*”), respectfully represent:

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<sup>1</sup> 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). Information regarding the Debtors’ businesses and the background relating to events leading up to these chapter 11 cases can be found in (i) the Declaration of William A. Rosoff in Support of the Debtors’ Chapter 11 Petitions and First-Day Motions, filed on November 8, 2009, (the “*Rosoff Declaration*”), the date the majority of Debtors filed their petitions (the “*Commencement Date*”) under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”), and (ii) that certain supplement thereto, filed on November 20, 2009, the date Advanta Ventures Inc., BizEquity Corp., Ideablob Corp. and Advanta Credit Card Receivables Corp. filed their chapter 11 cases (the “*Second Commencement Date*”, and together with the Commencement Date, the “*Commencement Dates*”). 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 Debtors’ cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”).

## RELIEF REQUESTED

1. By this motion (the "*Motion*"), Advanta requests, pursuant to section 365 of the Bankruptcy Code, entry of an order substantially in the form of the proposed order attached hereto as *Exhibit A* (the "*Order*"), for authority to assume that certain unexpired lease of non-residential real property (the "*Lease*") located at 417 Caredean Drive, Suite C & D, Horsham, Pennsylvania 19044 (the "*Babylon Property*") by and between Heffernan & Partners ("*Heffernan*") as lessor and Advanta as lessee.

2. For the reasons set forth below, Advanta has determined that it is in the best interests of its estate and its creditors to assume the lease in order to avoid costs of relocating from the Babylon Property to a new location during the final few months of the Lease.

## THE LEASE

3. Prior to the Commencement Date, the Debtors entered into various office space and storage facility leases in the ordinary course of their businesses. On or about August 30, 2007, Heffernan and Advanta renewed the Lease for the Babylon Property, which expires on September 30, 2010, to accommodate Advanta's storage needs. Advanta has remained current on all of its obligations, and there are no defaults under the Lease. The monthly base rent under the Lease is approximately \$7,150.00 and there are no amounts due and owing on account of prepetition obligations. Advanta currently uses the Babylon Property to store various assets and documents. In light of the relatively modest monthly rent and the cost of relocating the assets to another location pending the wind down of Advanta's operations, Advanta has determined, in its business judgment, to remain in the Babylon Property through the remainder of the Lease.

## ASSUMPTION OF THE LEASE

### A. Business Judgment Standard

4. Section 365 of the Bankruptcy Code allows a debtor to “maximize the value of the debtor’s estate” by assuming executory contracts or unexpired leases that “benefit the estate” and rejecting those that do not. *Cinicola v. Scharffenberger*, 248 F.3d 110, 119 (3d Cir. 2001) (quotations omitted). Section 365 of the Bankruptcy Code provides, in pertinent part, as follows:

(a) Except as provided in ... subsections (b), (c), and (d) of this section, the trustee, subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.

11 U.S.C. § 365(a).

5. Courts apply the “business judgment” standard in evaluating a debtor’s decision to assume or reject an executory contract or unexpired lease. *In re Armstrong World Indus., Inc.*, 348 B.R. 136, 162 (D. Del. 2006) (“Under section 365 of the Bankruptcy Code, a debtor may assume an executory contract or unexpired lease if (i) outstanding defaults under the contract or lease have been cured under section 365(b)(1) of the Bankruptcy Code, and (ii) the debtor’s decision to assume such executory contract or unexpired lease is supported by valid business justifications.”); *In re Nickels Midway Pier, LLC*, 341 B.R. 486, 493 (D.N.J. 2006) (“Although the Bankruptcy Code does not specify the standard to be applied in assessing the decision of a trustee or debtor in possession to assume or reject ... a contract, the Third Circuit has adopted the business judgment standard.”); *In re Network Access Solutions, Corp.*, 330 B.R. 67, 75 (Bankr. D. Del. 2005) (stating that “[t]he standard for approving the assumption of an executory contract is the business judgment rule”); *In re Pinnacle Brands, Inc.*, 259 B.R. 46, 53-54 (Bankr. D. Del. 2001) (“The Debtor’s decision to assume or reject an executory contract is based upon its business judgment.”) (citation omitted).

6. The assumption of the Lease is an exercise of Advanta's sound business judgment. Advanta is currently obligated to perform under the Lease. By assuming the Lease, Advanta will avoid any damage claims that Heffernan may have asserted if the Lease were rejected and will assure the continued availability of the Babylon Property for Advanta. Given the term remaining on the Lease, it is not in Advanta's best interests to reject the Lease, spend estate resources relocating all assets from the Babylon Property to another location, and pay any rejection damages claim that Heffernan may have.

7. Consequently, Advanta believes that assuming the Lease will benefit its estate and, therefore, is a valid exercise of its business judgment.

**B. Cure of Defaults**

8. When assuming an executory contract or lease, section 365(b) of the Bankruptcy Code requires the debtor to cure defaults under the contract or provide adequate assurance that it will promptly cure defaults.

9. No defaults are extant under the Lease, and, accordingly, there are no defaults to cure in connection with the assumption thereof.

**JURISDICTION**

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

**NOTICE**

11. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this Motion will be provided to (i) the Office of the United States Trustee for the District of Delaware, (ii) counsel to the official committee of unsecured creditors, (iii) Bank of New York Mellon, as trustee under the Investment Note Indenture and Law Debenture Trust

Company of New York as trustee under the 8.99% Indenture (both as defined in the Rosoff Declaration), (iv) Heffernan, and (v) those parties who have requested notice pursuant to Bankruptcy Rule 2002 (collectively, the “*Notice Parties*”). Advanta respectfully submits that no further notice of this Motion is required.

**NO PRIOR REQUEST**

12. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request entry of an Order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as the Court deems appropriate.

Dated: April 22, 2010  
Wilmington, Delaware



Mark D. Collins (No. 2981)  
Paul N. Heath (No. 3704)  
Chun I. Jang (No. 4790)  
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ATTORNEYS FOR  
DEBTORS AND DEBTORS IN  
POSSESSION

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

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: Chapter 11  
*In re* :  
: Case No. 09-13931 (KJC)  
ADVANTA CORP., *et al.*, :  
: (Jointly Administered)  
Debtors.<sup>1</sup> :  
: **Hearing: May 10, 2010 at 1:30 p.m.**  
-----x **Obj. Deadline: May 3, 2010 at 4:00 p.m.**

**NOTICE OF MOTION AND HEARING**

PLEASE TAKE NOTICE that, on April 22, 2010, Advanta Corp. and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the “*Debtors*”) filed the **Motion for Authority to Assume Unexpired Lease of Non-Residential Real Property at 417 Caredean Drive** (the “*Motion*”) 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 Motion must be in writing, filed with the Clerk of the Bankruptcy Court and served upon and received by the undersigned counsel for the Debtors on or before **May 3, 2010 at 4:00 p.m. (Eastern Daylight Time)**.

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<sup>1</sup> 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 19801.

PLEASE TAKE FURTHER NOTICE that if an objection is timely filed, served and received and such objection is not otherwise timely resolved, a hearing to consider such objection and the Motion will be held before The Honorable Kevin J. Carey at the Bankruptcy Court, 824 Market Street, 5th Floor, Courtroom 5, Wilmington, Delaware 19801 on **May 10, 2010 at 1:30 p.m. (Eastern Daylight Time)**.

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



Dated: April 22, 2010  
Wilmington, Delaware

  
\_\_\_\_\_  
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Paul N. Heath (No. 3704)  
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ATTORNEYS FOR DEBTORS AND  
DEBTORS IN POSSESSION

**Exhibit A**

**Proposed Order**

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

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

**ORDER AUTHORIZING ADVANTA TO ASSUME UNEXPIRED  
LEASE OF NON-RESIDENTIAL REAL PROPERTY AT 417 CAREDEAN DRIVE**

Upon the motion (the “*Motion*”), dated April 22, 2010, of Advanta Corp. (“*Advanta*”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession, pursuant to section 365 of title 11 of the United States Code (the “*Bankruptcy Code*”), for approval of assumption of the Lease<sup>2</sup>, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties; and the relief requested in the Motion being in the best interests of Advanta, its estate and its creditors; and the Court having reviewed the Motion; and

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

the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court, and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that pursuant to 11 U.S.C. § 365(a), Advanta is hereby authorized to assume, and by entry of this Order is hereby deemed to have assumed, the Lease without further notice or documentation; and it is further

ORDERED that the Court finds that Advanta has not committed any default under the Lease and no cure is required thereunder pursuant to 11 U.S.C. § 365(b) as a precondition to Advanta's assumption of the Lease; and it is further

ORDERED that notwithstanding the possible applicability of Fed. R. Bankr. P. 6006(d), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: May \_\_\_\_\_, 2010  
Wilmington, Delaware

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THE HONORABLE KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE