

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

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

**Objection Deadline: August 5, 2010 at 4:00 p.m.
Hearing Date: August 12, 2010 at 11:00 a.m.**

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR AUTHORITY TO EMPLOY AND RETAIN INSURANCE STRATEGIES
CONSULTING, LLC AS INSURANCE CONSULTANT FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS NUNC PRO TUNC TO JUNE 16, 2010**

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby submits, by and through its undersigned counsel, Latham & Watkins LLP (“Latham”) and Drinker Biddle & Reath LLP (“Drinker”), this application (the “Application”) for an order authorizing the Committee to retain and employ Insurance Strategies Consulting, LLC (“ISC”) as insurance consultant for the Committee, *nunc pro tunc* to June 16, 2010, pursuant to Sections 105(a) and 1103(a) of title 11 of the United States Code (as amended from time to time, the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of this Application, the Committee relies upon the Declaration of Carl T. Harris (“Harris”) of ISC in support of the retention and employment of ISC (the “Harris Declaration”),

¹ The Debtors in these cases, along with the last four digits of each Debtors’ 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), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), and Advanta Credit Card Receivables Corp. (7955).

a copy of which is attached hereto as Exhibit A and incorporated by reference herein. In support of this Application, the Committee respectfully states as follows:

JURISDICTION

1. This Court has jurisdiction over this Application under 28 U.S.C. §§ 157 and 1134. This is a core proceeding as defined in 28 U.S.C. § 157. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On November 4, 2009 (the "Petition Date"), the Debtors filed their respective voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with this Court. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. Pursuant to an order of this Court, the Debtors' Chapter 11 cases (the "Chapter 11 Cases") have been procedurally consolidated and are being jointly administered.

3. On November 24, 2009, the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The Committee selected Latham & Watkins LLP and Drinker Biddle & Reath LLP as its co-counsel and FTI Consulting, Inc. as its financial advisor. The Committee consists of the following members: (i) The Bank of New York Mellon, indenture trustee; (ii) Stonehill Capital Management, LLC; (iii) DVL Incorporated; (iv) Brandywine Operating Partnership; and (v) Law Debenture Trust Company of New York, indenture trustee. No trustee or examiner has been appointed in the Chapter 11 Cases.

RELIEF REQUESTED

4. This Application is made pursuant to Sections 105(a) and 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014 for an order: (a) authorizing the Committee to retain and employ ISC through counsel and (b) authorizing ISC's fees to be paid directly by the Debtors' estates without requiring the submission of fee applications, as more fully described below and in that certain Services Engagement Agreement, dated as of July 26, 2010 (the "Services Agreement"), attached hereto as Exhibit B.

5. ISC's work on this engagement will be performed exclusively by Harris. The Committee is familiar with ISC's and Harris's professional standing and reputation and understands and recognizes that Harris has both a wealth of experience in the insurance and actuarial industries and an excellent reputation for providing insurance consulting services. Harris has been providing consulting services in the insurance context for over thirty years. His work has covered various contexts including, but not limited to, restructurings and reorganizations, corporate appraisals, mergers and acquisitions, financial modeling and projections and valuation issues. Harris is an active participant or member in numerous professional organizations, including the Society of Actuaries, the Education and Examination Committee of the Society of Actuaries, the Conference of Consulting Actuaries and the American Academy of Actuaries. Harris is also a frequent speaker at actuarial and insurance industry meetings and seminars, and has written multiple publications regarding the actuarial and insurance industries.

6. Harris's and ISC's services are necessary to assist the Committee and its professionals in the assessment and analysis of various claims filed against certain of the Debtors' estates, in particular claims brought by the Debtors' officers, directors, employees and insiders related to employment agreements, benefit plans, bonus programs, insurance plans and

severance plans. Further, Harris and ISC is well-qualified and able to represent the Committee in a cost-effective and efficient manner.

SCOPE OF SERVICES TO BE RENDERED

7. The Committee contemplates that Harris and ISC will provide, *inter alia*, the following services:

a. Assistance regarding the evaluation of certain proofs of claims filed against the Debtors' estates including the analysis of employee benefits plans, bonus programs, employee retention programs and other post-retirement benefits; and

b. Render such other actuarial and insurance consulting advice as the Committee or its counsel may deem necessary consistent with the role of an insurance consultant and not duplicative of services provided by other Committee professionals in these chapter 11 cases.

ISC ELIGIBILITY FOR EMPLOYMENT AND DISINTERESTEDNESS

8. ISC has informed the Committee that it does not represent any other entity having an interest adverse to the Debtors, their estates, their creditors or the Committee in connection with these Chapter 11 Cases, and therefore, that it believes it is eligible to provide actuarial and insurance consulting services to the Committee under Section 1103(a) of the Bankruptcy Code.

9. In furtherance of its proposed retention, ISC has conducted a conflicts analysis and, to the best of its institutional knowledge and except to the extent disclosed in the Harris Declaration, ISC neither holds nor represents any interest adverse to the interests of the Debtors, their estates, their creditors or the Committee with respect to the matters upon which ISC would be employed. The Committee believes that ISC's employment will be in the best interests of the Debtors' unsecured creditors and the Debtors' estates.

10. To the best of ISC's knowledge and except to the extent disclosed in the ISC Declaration, ISC has no "connections" (as such term is used in Bankruptcy Rule 2014(a)) to the Debtors, their creditors, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee.

11. ISC has represented to the Committee that it will conduct an ongoing review of its files to ensure that no conflicts or other disqualifying circumstances exist or arise. Should ISC discover any new relevant facts, relationships or connections bearing on the matters described herein during the period of his retention, ISC will use reasonable efforts to promptly file a supplemental declaration disclosing such facts.

12. ISC has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with these cases.

TERMS OF RETENTION

13. ISC is not owed any amounts with respect to pre-petition fees and expenses in connection with its proposed engagement by the Committee or otherwise in connection with these Cases.

14. Section 328(a) of the Bankruptcy Code provides, in relevant part, that "a committee appointed under section 1102 of this title, with the court's approval, may employ or authorize the employment of a professional person under section . . . 1103 of this title, . . . on any reasonable terms and conditions of employment, including on a retainer, on a hourly basis, or on a contingency fee. 11 U.S.C. §328(a). Given the nature and scope of the work to be performed by ISC, the Committee believes the terms and conditions of ISC's proposed engagement are fair and reasonable.

15. The Committee proposes to retain ISC at its customary hourly rates, which in the case of Harris is three hundred and fifty dollars (\$350), and to reimburse ISC for its actual and necessary expenses incurred *nunc pro tunc* to June 16, 2010, and on the terms and conditions as otherwise set forth in the Services Agreement. The Committee respectfully submits that ISC's rates for services are reasonable, competitive and comparable to the rates charged by competitors for similar services.

16. Furthermore, the Committee respectfully submits that given the limited scope of the services to be provided by ISC, the fees and expenses incurred by ISC should not be subject to the standard fee application procedures for professionals. Specifically, the Committee requests authorization for ISC to be compensated by the Debtors' estates on a monthly basis, subject to the terms and conditions described above, as set forth in the Services Agreement and pursuant to the procedures described below (the "Procedures"): ²

a. ISC shall submit monthly invoices summarizing in reasonable detail the services rendered and expenses incurred in connection with services provided by ISC to the Committee to:

- i. the Debtors, Advanta Corp. (attn: Gloria Hewitt, ghewitt@Advanta.com);
- ii. counsel to the Debtors, Weil, Gotshal & Manges, LLP (attn: Victoria Vron, Esq., victoria.vron@weil.com and attn: Chun I. Jang, Esq., jang@rlf.com);
- iii. counsel to the Committee (attn: Aaron Singer, Esq., aaron.singer@lw.com and attn: Howard A. Cohen, Esq. howard.cohen@dbr.com); and

² In the event of any discrepancy or conflict between the compensation procedures described below and the terms of the proposed order, the order shall control.

iv. the Office of the United States Trustee (attn: David Klauder, Esq., David.Klauder@usdoj.gov).

No further notice shall be necessary.

b. Upon ISC's submission of a monthly invoice, the Debtors, the Committee and the U.S. Trustee shall have ten (10) days to submit an objection to the fees or expenses charged in the monthly invoice.

c. After a monthly invoice has been submitted by ISC in accordance with these procedures: (a) if no objection is submitted by the Debtors, the U.S. Trustee or the Committee within the ten-day objection period, then 100% of the fees and 100% of the expenses incurred shall be paid without further action of ISC or (b) if an objection is filed within the ten-day objection period and such objection is not resolved consensually by the parties, then that portion of the monthly invoice that is not the subject of the objection shall be paid by the Debtors without further action required and the remaining portion shall be submitted for court review and approval.

d. ISC's total compensation and reimbursement of expenses paid pursuant to these Procedures shall not exceed \$75,000.00 without consent of the Debtors, the Committee and the U.S. Trustee. If ISC's total requested compensation and reimbursement of expenses exceed \$75,000.00 and the Debtors, the Committee and the U.S. Trustee do not consent to continued payment of ISC's invoices under these Procedures, then ISC shall submit monthly fee applications in respect of fees and expenses over \$75,000 pursuant to the procedures set forth in the Order Implementing Certain Procedures for the Interim Compensation and Reimbursement of Professionals. (D.I. No. 102.)

17. Prior to the filing of this Application, the Committee disclosed the proposed retention of ISC and the proposed terms of the retention to the Debtors and the Office of the U.S.

Trustee for this District. The Committee has been informed that neither the Debtors nor the U.S. Trustee have any objection to the relief requested herein.

NOTICE

18. Pursuant to Del. Bankr. L.R. 2014(b), 9013-1 and 2002-1(b), The Creditors' Committee through its counsel has provided notice of this Application to: (a) the Debtors; (b) counsel to the Debtors; (c) the office of the U.S. Trustee for Region Three and (d) all parties who have formally requested notice in these proceedings electronically via the Court's CM/ECF system or by first mail, postage prepaid. In light of the nature of the relief requested, the Creditors' Committee respectfully submits that no further notice is necessary.

NO PRIOR REQUEST

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

WHEREFORE, the Committee requests entry of an order in the form annexed hereto as Exhibit C authorizing the Committee through its counsel to retain ISC as insurance consultant as set forth in this Application and the Services Agreement, *nunc pro tunc* to June 16, 2010, pursuant to Sections 105(a) and 1103(a) of Bankruptcy Code, and granting the Committee such other and further relief as the Court may deem just and proper.

Dated: July 26, 2010
Wilmington, Delaware

**THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF
ADVANTA CORPORATION, ET AL.**

By Stonehill Capital Management, LLC, Chair

/s/ Michael Stern _____
Michael Stern

DRINKER BIDDLE & REATH LLP

/s/ Howard A. Cohen

Howard A. Cohen (DE 4082)
1100 N. Market Street, Suite 1000
Wilmington, DE 19801
Telephone: (302) 467-4200
Facsimile: (302) 467-4201

- and -

LATHAM & WATKINS LLP

/s/ Roger G. Schwartz

Mitch A. Sedier (admitted *pro hac vice*)
Roger G. Schwartz (admitted *pro hac vice*)
Aaron M. Singer (admitted *pro hac vice*)
885 Third Avenue, Suite 1000
New York, NY 10022
Telephone: (212) 906-1200
Facsimile: (212) 751-4864

Counsel for the Official Committee of Unsecured
Creditors of Advanta Corporation, *et al.*

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

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

**Objection Deadline: August 5, 2010 at 4:00 p.m.
Hearing Date: August 12, 2010 at 11:00 a.m.**

NOTICE OF APPLICATION

PLEASE TAKE NOTICE that on July 26, 2010, co-counsel for the Official Committee of Unsecured Creditors (the “Committee”) in the above-captioned matter has filed the *Application of the Official Committee of Unsecured Creditors for Authority to Employ and Retain Insurance Strategies Consulting, LLC as Insurance Consultant for the Official Committee of Unsecured Creditors Nunc Pro Tunc to June 16, 2010* (the “Application”).

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 counsel for the Committee on or before **August 5, 2010 at 4:00 p.m.** (the “Objection Deadline”). Only those objections that are timely filed, served and received will be considered by the Court.

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

¹ The Debtors in these cases, along with the last four digits of each Debtors’ 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), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), and Advanta Credit Card Receivables Corp. (7955).

objection and the Application will be held before The Honorable Kevin J. Carey at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Courtroom 5, Wilmington, Delaware 19801 on **August 12, 2010 at 11:00 a.m. (Eastern Time)**.

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

Dated: July 26, 2010

DRINKER BIDDLE & REATH LLP

/s/ Howard A. Cohen
Howard A. Cohen (DE 4082)
1100 N. Market Street, Suite 1000
Wilmington, DE 19801
Telephone: (302) 467-4200
Facsimile: (302) 467-4201

Counsel for the Official Committee of Unsecured
Creditors of Advanta Corporation, *et al.*

EXHIBIT A

HARRIS DECLARATION

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

In re:) Chapter 11
)
ADVANTA CORP, *et al.*,¹) Case No. 09-13931 (KJC)
)
Debtors.) (Jointly Administered)

**DECLARATION OF CARL M. HARRIS PURSUANT TO 28 USC §1746
IN SUPPORT OF THE APPLICATION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR AUTHORITY TO EMPLOY AND RETAIN
CARL M. HARRIS OF INSURANCE STRATEGIES CONSULTING, LLC
AS INSURANCE CONSULTANT FOR THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS *NUNC PRO TUNC* TO JUNE 16, 2010**

Carl M. Harris, of full age, under penalty of perjury, hereby declares as follows:

1. I am a Principal of Insurance Strategies Consulting, LLC (“ISC”), a life insurance actuarial firm, and I am authorized to make and submit this declaration (the “Declaration”) on behalf of myself and ISC.

2. I submit this Declaration in support of the Application of the Official Committee of Unsecured Creditors (the “Committee”) of Advanta Corporation, *et al.*, (collectively, the “Debtors”), for the entry of an Order authorizing the retention of ISC as insurance consultant to assist counsel to the Committee. The statements contained herein are based upon personal knowledge.

¹ The Debtors in these cases, along with the last four digits of each Debtors’ 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), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), and Advanta Credit Card Receivables Corp. (7955).

DISINTERESTEDNESS AND ELIGIBILITY

3. In connection with the preparation of this Declaration, ISC requested and obtained from the Committee an extensive list of interested parties and significant creditors. The interested parties and significant creditors reviewed include, among others, the Debtors, their non-debtor affiliates, officers, directors, the one hundred twenty (120) largest unsecured creditors of the Debtors (on a consolidated basis), significant suppliers, parties holding ownership interests in the Debtors, significant counterparties to material agreements and significant litigation claimants. ISC then conducted a review of ISC's contacts with the Debtors, their affiliates, the interested parties and the significant creditors.

4. Based on the results of ISC's review, except as otherwise discussed herein, ISC does not have any material connections with any of the Debtors, their affiliates, the interested parties or the significant creditors in matters related to these proceedings. To the best of my knowledge, ISC has not provided services to any party in interest that is adverse or related to the rights of the Debtors or the Committee in these cases.

5. Further, ISC has performed in the past, and may perform in the future, advisory consulting services for various attorneys, law firms, and financial institutions, some of whom may be involved in these proceedings. In addition, ISC has in the past, may currently and may in the future, work with or against other professionals involved in these cases in matters unrelated to the Debtors and these cases. Based on my current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships creates an interest for ISC that is materially adverse to the Debtors or the Committee in the matters upon which ISC is to be employed, and none are in connection with these cases.

6. As such, to the best of my knowledge, except as otherwise discussed herein, I do not represent that ISC has an interest adverse to the Debtors or the Committee in connection with these cases, and therefore believe ISC is eligible to represent the Committee under the Bankruptcy Code.

7. It is ISC's intent to update and expand ISC's ongoing relationship search for additional parties in interest in an expedient manner, though I do not expect the results of ISC's ongoing searches to uncover any relationships that would change my belief that ISC is eligible to represent the Committee under the Bankruptcy Code. If, however, any new material relevant facts or relationships are discovered or arise, ISC will promptly file a supplemental declaration pursuant to Bankruptcy Rule 2014(a).

8. I have over thirty years of experience in and an excellent reputation for providing insurance consultant services in a variety of contexts, including, but not limited to, restructurings and reorganizations, corporate appraisals, mergers and acquisitions, financial modeling and projections, and valuation issues. My clients include domestic and international insurance companies, regulatory bodies, and marketing organizations.

9. I am an active participant in numerous professional organizations, such as serving as a fellow of both the Society of Actuaries and the Conference of Consulting Actuaries and as a member of both the American Academy of Actuaries and the Society of Actuaries Education and Examination Committee. I am also a frequent speaker at actuarial and other insurance industry meetings and seminars, and have written multiple publications regarding the actuarial and insurance industries.

10. I am and ISC is a "disinterested person," as that term is defined in Section 101(14) of the Bankruptcy Code, because both I am and ISC is: (a) not a creditor, equity security

holder or insider of the Debtors; (b) not and was not, within two years before the date of the filing of the Debtors' petitions, a director, officer or employee of the Debtors; and (c) do not have an interest materially adverse to the interests of the Debtors' estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors.

PROFESSIONAL COMPENSATION

11. ISC's proposed employment is not prohibited by or improper under Bankruptcy Rule 5002. ISC is not related to any United States Bankruptcy Court Judge or District Court Judge or to the United States Trustee for Region 3 or any employee in the office thereof.

12. Subject to Court approval and in accordance with the Bankruptcy Rules, applicable U.S. Trustee guidelines and Local Rules for the United States Bankruptcy Court for the District of Delaware, ISC will seek payment for compensation on an hourly basis, according to my customary hourly rate of three hundred and fifty dollars (\$350). ISC will also seek reimbursement of actual and necessary out of pocket expenses that it incurs in the course of this engagement. ISC will submit monthly invoices to the Debtors, counsel to the Debtors, the Committee and the U.S. Trustee that summarize, in reasonable detail, the services ISC performed and expenses ISC incurred in that monthly period. Based on the terms and nature of ISC's engagement, I do not expect ISC's aggregate compensation and reimbursement of expenses will exceed \$75,000.00.

13. To the best of my knowledge, ISC has not (a) made or received any commitment with respect to compensation or payment in connection with these cases other than in accordance with the provisions of the Bankruptcy Code or (b) agreed with any other entity to share with such entity any compensation ISC receives in connection with these chapter 11 cases.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 23rd day of July, 2010.

/s/ Carl M. Harris
Carl M. Harris

EXHIBIT B
SERVICES AGREEMENT



DES MOINES, IA
CHICAGO, IL
AUSTIN, TX
HARTFORD, CT
WASHINGTON, DC

July 26, 2010

Mr. Aaron Singer
Attorney
Latham & Watkins LLP
885 Third Avenue
New York, N 10022

Re: *Services Engagement Agreement between Insurance Strategies Consulting, LLC and the Official Committee of Unsecured Creditors of Advanta Corporation, et al.*

Dear Mr. Singer:

Insurance Strategies Consulting, LLC ("Insurance Strategies", "We" or "Us") has been retained, effective as of June 16, 2010, by the Official Committee of Unsecured Creditors of Advanta Corporation, et al. (the "Committee"), by and through its counsel, Latham & Watkins LLP ("Latham") and Drinker Biddle & Reath LLP ("Drinker"). We have confirmed to you that We have no conflict of interest issues with any party in our capacity to serve as an insurance and actuarial consultant or expert to the Committee, Latham and Drinker.

Scope of Engagement

We have been retained to provide assistance regarding the evaluation of certain proofs of claims filed against the estates of Advanta Corp. and its subsidiaries, including the analysis of employee benefits plans, bonus programs, employee retention programs and other post-retirement benefits. We will also render such other actuarial and insurance consulting advice as the Committee or its counsel may deem necessary or consistent with the role of an insurance consultant. If later we are requested to serve as a testifying expert, this agreement will continue to apply.

We will maintain frequent communications with Latham and Drinker so that counsel to the Committee is aware of our progress, to share our interim findings, and to make recommendations for actions going forward. We acknowledge that with respect to our



Founding Member of
THE ACTUARIAL ALLIANCE

6000 Westtown Parkway
3rd Floor
West Des Moines, IA 50266
Office: (515) 273-3530
Fax: (515) 221-0327
www.insurance-strat.com

From: Carl Harris

Date: July 26, 2010

services on this engagement, We will take reasonable steps to provide such services in a cost efficient manner.

We will prepare work papers and other writings only at the instruction of Latham or Drinker. We understand that our preparation of such writings will be solely for Latham and Drinker, in furtherance of their representation of the Committee, and such writings are intended to be a part of Latham's or Drinker's privileged attorney work product. All information that We, our Principals or employees may acquire solely for this engagement will be part of privileged attorney-client communications and will not be disclosed by Us to third parties except as required by law.

In addition to the above tasks, We understand that Latham or Drinker may expand the scope of this engagement by advising Us of additional tasks that We are required to complete.

Latham or Drinker will notify Us immediately should conditions arise which alter the defined scope of this project or the nature of our involvement.

Confidentiality

In connection with the representation of the Committee, Latham or Drinker may disclose to Us certain information, data, documents, etc. ("Confidential Materials"). We understand that the sole purpose of Our receipt of Confidential Materials is to assist the Committee, Latham and Drinker and We agree to keep confidential all Confidential Materials and not to make any use thereof except as requested by Latham or Drinker or as required by law.

We agree to notify Latham and Drinker immediately should any other person or party request Us to disclose or produce any documents, or to give written or oral testimony, related to this engagement, including by formal discovery request or subpoena. We will use best efforts to resist disclosing or producing documents or giving testimony to any other person or party until Latham has had an opportunity to enter an appearance and challenge the request.

Limitation on Liability

The Committee agrees that Insurance Strategies and its personnel will not be liable to the Committee for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid to Insurance Strategies for this engagement, except to the extent finally judicially determined to have resulted from the fraud, bad faith, gross negligence or intentional misconduct of Insurance Strategies. In no event will Insurance Strategies or its personnel be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement.

From: Carl Harris
Date: July 26, 2010

The limitation on liability provisions of this engagement letter will apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise. The agreements and undertakings of the Committee and Us contained in this engagement letter, such as those pertaining to restrictions on report use and distribution and limitation on liability, will survive the completion or termination of this engagement.

Jurisdiction

This Agreement is subject to the approval of the Bankruptcy Court, and such Court shall retain jurisdiction over all matters regarding this Agreement. Any proceeding arising out of this agreement shall be heard exclusively by the Bankruptcy Court, to whose jurisdiction and forum ISC and the Committee irrevocably submit. Notwithstanding the previous sentence, to the extent the Bankruptcy Court declines to hear any proceeding arising out of this agreement, such proceeding shall be heard by any state or federal court sitting in the city and county of New York, to whose jurisdiction and forum ISC and the Committee irrevocably submit.

Compensation

Our professional fees for this engagement will be as follows for time actually expended by ISC in the rendering of the services provided herein:

Carl T. Harris -- \$350 per hour

We will also be reimbursed for expenses that are reasonable and necessary to such services.

I have provided two executed copies of this agreement. Please sign both copies and send one back to me for our files.

Best regards,



Carl M. Harris

From: Carl Harris
Date: July 26, 2010

Agreed:

/s/ Michael Stern
The Official Committee of
Unsecured Creditors

/s/ Roger Schwartz
Latham & Watkins LLP

/s/ Howard A. Cohen
Drinker Biddle & Reath LLP

July 26, 2010
Date:

EXHIBIT C
PROPOSED ORDER

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

In re:) Chapter 11
)
ADVANTA CORP, *et al.*,¹) Case No. 09-13931 (KJC)
)
Debtors.) (Jointly Administered)

Re: Docket No. ____

**ORDER AUTHORIZING THE RETENTION AND
EMPLOYMENT OF INSURANCE STRATEGIES CONSULTING, LLC
AS INSURANCE CONSULTANT FOR THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS *NUNC PRO TUNC* TO JUNE 16, 2010**

Upon the application (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of Advanta Corporation, *et al.* (the "Debtors"), by and through its counsel, Latham & Watkins LLP ("Latham") and Drinker Biddle & Reath LLP ("Drinker"), for the entry of an order pursuant to 11 U.S.C. §§ 105(a) and 1103(a) authorizing the retention of Insurance Strategies Consulting, LLC ("ISC") as insurance consultant for the Committee, *nunc pro tunc* to June 16, 2010, upon the terms described below, in the Application and in the Services Agreement;² and upon the Declaration of Carl M. Harris in support of the Application; and it appearing that the relief requested in the Application is in the best interests of the Committee, the Debtors' estates and their creditors; and the Debtors and the Office of the United States Trustee (the "U.S. Trustee") being informed of the relief requested in the Application and consenting

¹ The Debtors in these cases, along with the last four digits of each Debtors' 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), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), and Advanta Credit Card Receivables Corp. (7955).

² Each capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Application.

thereto; and the Court being satisfied that ISC has the capability and experience to provide the services for which ISC is to be retained by the Committee, and that ISC does not hold an interest adverse to the Debtors' estates respecting the matters upon which ISC is to be engaged; and good and sufficient notice of the Application having been given; and no other or further notice being required; and sufficient cause appearing therefore; it is hereby

ORDERED, that the Application is approved in its entirety; and it is further

ORDERED, that the Committee, through its counsel, is authorized to retain ISC as its insurance consultant, *nunc pro tunc* to June 16, 2010, subject to the terms described in the Application and the Services Agreement; and it is further

ORDERED, that ISC shall perform the services set forth in the Application and the Services Agreement; and it is further

ORDERED, that ISC shall deliver monthly invoices to the Debtors, counsel to the Debtors, counsel to the Committee and the U.S. Trustee that, in reasonable detail, set forth the services provided by ISC, the rates charged and the expenses incurred in the prior month; and it is further

ORDERED, that upon the submission of a monthly invoice, the Debtors shall pay ISC's fees and expenses without the necessity of ISC filing any fee application with this Court and without further action or approval; provided, however, that the Debtors, the U.S. Trustee and the Committee shall have a ten (10) day period to submit an objection to the monthly invoice. If an objection is submitted, and such objection cannot be resolved consensually by the parties, then: (a) the portion of the monthly invoice that is not the subject of the objection shall be paid by the Debtors and (b) the portion of the monthly invoice that is the subject of the objection shall be subject to the review and approval of this Court, and it is further

ORDERED, that to the extent ISC requests compensation and reimbursement of expenses in an aggregate amount in excess of \$75,000.00, ISC shall submit monthly fee applications pursuant to the procedures set forth in the Order Implementing Certain Procedures for the Interim Compensation and Reimbursement of Professionals, (D.I. No. 102.), unless the Debtors, the Committee and the U.S. Trustee consent to payment of ISC's invoices in excess of \$75,000.00 pursuant to the procedures set forth herein; and it is further

ORDERED, that notwithstanding of the provisions of Rules 6004(h), 7062 or 9014 of the Federal Rules of Bankruptcy Procedure, the terms and conditions of this Order shall be effective immediately and enforceable upon its entry; and it is further

ORDERED, that the Debtors, the Committee and ISC are authorized and empowered to take all actions necessary to comply with all duties set forth in the Application and this Order; and it is further

ORDERED, that to the extent this Order is inconsistent with any prior order or pleading in the Chapter 11 Cases, the terms of this Order shall govern; 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: _____, 2010
Wilmington, Delaware

THE HONORABLE KEVIN J. CAREY
CHIEF UNITED STATES BANKRUPTCY JUDGE

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

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

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on this 26th day of July, 2010, I caused a true and correct copy of the *Application of the Official Committee of Unsecured Creditors for Authority to Employ and Retain Insurance Strategies Consulting, LLC as Insurance Consultant for the Official Committee of Unsecured Creditors Nunc Pro Tunc to June 16, 2010* to be served on all parties by operation of the Case Management/Electronic Case Filing System for the United States Bankruptcy Court for the District of Delaware.

Dated: July 26, 2010

DRINKER BIDDLE & REATH LLP

/s/ Howard A. Cohen
Howard A. Cohen (DE 4082)
1100 N. Market Street, Suite 1000
Wilmington, DE 19801
Telephone: (302) 467-4200
Facsimile: (302) 467-4201

Counsel for the Official Committee of Unsecured
Creditors of Advanta Corporation, *et al.*

¹ The Debtors in these cases, along with the last four digits of each Debtors' 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), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), and Advanta Credit Card Receivables Corp. (7955).