UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 11
ADVANTA CORP., *et al.*,	:	Case No. 09-13931 (KJC)
Debtors.[1]	:	(Jointly Administered)
	:	**Re: Docket Nos. 895, 896, 973, 975, 976, 977, 979, 980, 982, 984, 987, 988 & 992**

OMNIBUS REPLY TO OBJECTIONS TO DEBTORS' MOTION FOR AN ORDER (I) APPROVING THE PROPOSED DISCLOSURE STATEMENT, (II) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE DISCLOSURE STATEMENT HEARING, (III) ESTABLISHING SOLICITATION AND VOTING PROCEDURES, (IV) SCHEDULING A CONFIRMATION HEARING, AND (V) ESTABLISHING NOTICE AND OBJECTION PROCEDURES FOR CONFIRMATION OF THE PLAN

Advanta and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together with Advanta, the "***Debtors***"), respectfully submit this omnibus reply (the "***Reply***") to the objections and responses[2] filed with respect to the Debtors' proposed Disclosure Statement for the Debtors' Joint Plan Under Chapter 11 of the Bankruptcy Code (the "***Disclosure Statement***") [Docket No. 896], and respectfully represent as follows:

[1] The Debtors in these jointly administered chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are Advanta Corp. (2070) ("***Advanta***"), 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), BE 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).

[2] A chart listing and summarizing the objections and responses to the Disclosure Statement (each an "***Objection***" and, collectively, the "***Objections***") and the Debtors' responses thereto is attached as ***Exhibit A*** hereto.

Preliminary Statement

1. The Debtors' management and counsel have worked tirelessly together and with the official committee of unsecured creditors appointed in these chapter 11 cases (the "***Committee***") over the past nine months to formulate a chapter 11 plan that will maximize recovery for creditors. Unfortunately, the Debtors were not able to ultimately reach consensus with the Committee on two issues in the chapter 11 plan and the Disclosure Statement. But to move the chapter 11 cases forward and enable distributions to creditors, the Debtors filed with the Court their proposed Joint Plan Under Chapter 11 of the Bankruptcy Code (the "***Proposed Plan***") [Docket No. 895] and the proposed Disclosure Statement thereto on November 2, 2010.

2. The Debtors received Objections to the Disclosure Statement from nine parties in interest. The arguments in the Objections fall into the following categories: (i) objections to the Proposed Plan, which should properly be addressed at the Confirmation Hearing;[3] (ii) requests by the Committee to describe their plan objections in the Disclosure Statement; (iii) the Committee's argument that the Disclosure Statement should not be approved because the Proposed Plan allegedly will be rejected; (iv) requests for additional language in the Disclosure Statement, most of which the Debtors will accommodate; (v) requests for certain information about the Debtors' director and officer insurance policies, which constitute improper use of the disclosure statement process as a discovery device; and (vi) requests for certain changes to the Debtors' proposed solicitation procedures, most of which the Debtors will accommodate. Although the Debtors believe that the Disclosure Statement, as originally filed by

[3] Capitalized terms not defined herein have the meaning ascribed to such terms in the *Motion for an Order (I) Approving the Disclosure Statement, (II) Approving Notice and Objection Procedures for the Disclosure Statement Hearing, (III) Establishing Solicitation and Voting Procedures, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Procedures for Confirmation of the Plan* (the "***Motion***") [Docket No. 899].

the Debtors, contained adequate information to enable holders of claims and interest to vote, the Debtors have agreed to accommodate certain of the objectors by making certain modification (the "***Modifications***") to the Disclosure Statement, the Proposed Plan, and the proposed order approving the Disclosure Statement (the "***Disclosure Statement Order***"), blacklines of which have been filed with the Court simultaneously herewith.

3. Attached as ***Exhibit A*** hereto is a detailed response to each of the Objections. For the reasons stated in ***Exhibit A*** and below, the Objections, to the extent not addressed by the Modifications, should be overruled and the Disclosure Statement approved by the Court so that the Debtors can proceed with solicitation of the Proposed Plan.

Discussion

A. Plan Objections Are Not Properly Before the Court at This Time

4. A disclosure statement's fundamental purpose is to enable holders of claims and interests entitled to vote on a chapter 11 plan to make an informed decision whether to vote to accept or reject the plan. It is well-settled that the hearing to approve a disclosure statement is solely to determine whether the information provided in the Disclosure Statement is adequate within the meaning of section 1125 of the Bankruptcy Code. A disclosure statement hearing is not the proper venue for creditors to raise substantive issues related to the chapter 11 plan in an effort to improve their plan treatment or a medium for a creditors' committee to voice its specific objections to the chapter 11 plan. *See, e.g., In re United States Brass Corp.*, 194 B.R. 420, 427-28 (Bankr E.D. Tex. 1996) (approving a disclosure statement as containing adequate information and ruling that bad faith and feasibility objections were more properly addressed at a confirmation hearing); *In re Waterville Timeshare Group*, 67 B.R. 412, 413-14 (Bankr. D.N.H. 1986) (holding that the disclosure statement hearing "is not intended to be the primary focus of

litigation in a contested Chapter 11 proceeding" and that "a court should assess whether strategic objections are 'designed primarily to delay and hobble the efforts of the [plan proponent] to put a plan before the court.'").

5. As reflected on ***Exhibit A*****, m**any of the Objections listed on ***Exhibit A*** are objections to the substance of the Proposed Plan. As such, the proper time and place to address those objections is the Confirmation Hearing, not the Disclosure Statement Hearing. Accordingly, these Objections should be overruled without prejudice to parties reasserting them in the context of Plan confirmation.

B. The Committee Inappropriately Seeks to Use the Disclosure Statement as a Forum to Voice Its Plan Objections

6. As discussed in greater detail in the Debtors' reply (the "***Exclusivity Reply***") to the *Objection of the Official Committee of Unsecured Creditors to the Debtors' Motion to Extend Exclusivity and Expedited Motion For An Order, Pursuant to Section 1121(d) of the Bankruptcy Code, (A) Terminating the Debtors' Exclusivity Periods, and (B) Authorizing the Official Committee of Unsecured Creditors to Propose and Solicit Acceptances to a Chapter 11 Plan* [Docket No. 981],[4] the Committee takes issue with just three aspects of the Plan: (i) whether to exculpate current and former directors and officers for postpetition conduct falling short of willful misconduct, gross negligence, intentional fraud, or criminal conduct (the "***Exculpation Issue")***; (ii) whether additional disclosure about certain potential causes of action is needed in the Disclosure Statement under prevailing case law to preserve the Court's post-confirmation jurisdiction over such causes of action (the "***Jurisdiction Issue***"), and (iii) whether the Committee should have consent rights over various plan documents (the "***Consent Issue***").

[4] The Exclusivity Reply has been filed with the Court simultaneously herewith and is incorporated herein by reference.

7. As reflected on ***Exhibit A***, most of the Committee's objections to the Disclosure Statement relate to the Disputed Issues. The Committee seeks to include language in the Disclosure Statement and a letter to be mailed with the Disclosure Statement that discusses the Committee's views on the Exculpation Issue and the Consent Issue and makes certain allegations to bolster the Committee's argument that the Proposed Plan should be rejected. Although courts generally allow creditors' committees to include in the solicitation materials a recommendation for how creditors should vote, the solicitation materials should not be used as a forum for a creditors' committee to voice its specific objections to a chapter 11 plan. The language requested by the Committee interweaves throughout the entire Disclosure Statement the Committee's arguments about various aspects of the Proposed Plan, which will be confusing to creditors and will prejudice the Debtors' efforts to obtain fairly their creditors' votes on the Proposed Plan. The Debtors do not quibble with a request from the Committee that its recommendation against the Proposed Plan be included in the Disclosure Statement and a letter to be included with the solicitation materials. The revised Disclosure Statement filed with the Court contains straightforward and understandable language to this effect, and ***Exhibit B*** hereto is a similarly straightforward form of a letter from the Committee that the Debtors would propose including with the solicitation materials. But the proper forum for the Committee (as for all other parties in interest) to argue its plan objections is the plan confirmation hearing, where the Committee will have a fair opportunity to present its specific views on these issues.

8. With respect to the Jurisdiction Issue, the Committee alleges that unless a more "fulsome" description of the potential causes of actions against certain third parties is included in the Disclosure Statement, the Court will not retain jurisdiction over such claims if the liquidating trustee pursues such claims post-confirmation. The Debtors believe that the

Disclosure Statement already adequately preserves the Court's post-confirmation jurisdiction over such causes of action (to the extent that mere language in a disclosure statement may confer jurisdiction). *See Binder v. Price Waterhouse & Co., LLP (In re Resorts Int'l, Inc.)*, 372 F.3d 154, 161 (3d Cir. 2004) (providing that "neither the . . . Court nor the parties can write their own jurisdictional ticket").

9. In the post-confirmation context, the Court will have jurisdiction over a non-core matter where such matter has "a close nexus to the bankruptcy plan or proceeding." *Id*. at 168-69. A "close nexus" may be found to exist where the plan or disclosure statement describes the cause of action with some degree of specificity. *See BWI Liquidating Corp. v. City of Rialto (In re BWI Liquidating Corp.)*, 437 B.R. 160, 165 (Bankr. D. Del. 2010) (citation omitted). To that end, where a plan or disclosure statement "broadly provide[s] for retention of jurisdiction over causes of action, it provides no evidence of a sufficiently close nexus with the bankruptcy proceeding to support post-confirmation jurisdiction." *Id*. at 166 (citing *Resorts*, 372 F.3d at 167). Perhaps realizing this, the Committee, in its objection, notes that the description of Causes of Action, as defined in Section 1.91 of the Plan, is mere "boiler plate language [and is] essentially any claim against or with respect to any person" and thereby concludes that the description of the potential claims and causes of action against Messrs. Alter and Rosoff is inadequate to ensure the Court's jurisdiction over such claims and causes of action. *See* Committee's Objection at 12, 14-15. The Committee, however, conveniently ignores Article XI of the Plan (as described in page 62 of the Disclosure Statement), which expressly provides for the Court's retention of jurisdiction over "any Cause of Action under bankruptcy law or any applicable non-bankruptcy law that may be brought by any of the Trusts or Trustees for the benefit of the Estates' creditors against any *current or former officers, directors or employees of*

any of the Debtors relating to management or operation of the Debtors and/or their assets either prior to the Commencement Date or during the Chapter 11 Cases . . . ." Plan, Art. XI (emphasis added). Under applicable law, this language is sufficient because it expressly mentions and describes potential claims and causes of action against, among others, current or former officers and directors of the Debtors relating to the Debtors' management, operation and/or assets.

10. The language that the Committee proposes to include in the Disclosure Statement goes far above and beyond what is necessary to maintain the Court's jurisdiction over certain potential causes of action and is yet another inflammatory attempt to pressure Messrs. Alter and Rosoff into abandoning their claims against the Debtors without any judicial determination of their merits. Nevertheless, if the Court decides that additional language is required to maintain the Court's post-confirmation jurisdiction, then the Debtors will modify the Disclosure Statement to include any language required by the Court.

C. The Committee's View of Whether Creditors Will Vote in Favor of the Proposed Plan Is Not Determinative

11. The Committee incorrectly argues that the Court should not approve the Disclosure Statement because the Proposed Plan will be rejected by unsecured creditors. First, the Committee makes a conclusory assertion that the Proposed Plan will be rejected just because the Committee and the Indenture Trustees object to the Disclosure Statement. As the Committee admits, neither the Committee nor the Indenture Trustees will be voting on the Proposed Plan. Nor do any of them have control over how creditors will vote. In light of the significant recoveries that are expected for most creditors, including potential par recoveries for holders of Investment Notes and RediReserve Certificates, and the fact that the "different" plan advocated by the Committee is nearly identical to the Proposed Plan, it is far from a foregone conclusion that all impaired creditor classes will reject the Plan in the hopes of receiving speculative

benefits from the pursuit of unspecified postpetition causes of action, if any, against non-debtors. In fact, the only reason there is a question at all about whether the Proposed Plan will be accepted is the opposition of the Committee, despite its concerns being fully addressed in the Proposed Plan.

12. If the mere opposition by a creditors' committee to a chapter 11 plan was sufficient to render a plan patently unconfirmable, a creditors' committee would hold a veto right at the disclosure statement stage of plan prosecution over any plan a debtor might propose. The Bankruptcy Code contains no such right. And such a right would be inconsistent with the Bankruptcy Code's provision for debtors to have the exclusive right for certain periods of time to propose and solicit acceptances of chapter 11 plans. The Debtors' opportunity to prosecute the Proposed Plan should not be foreclosed by mere speculation regarding whether the Proposed Plan's acceptance.

D. <u>All Other Objections That Were Not Resolved by the Modifications Should Be Overruled</u>

13. All other objections to the Disclosure Statement that were not addressed herein, to the extent they were not resolved by the Modifications, should be overruled for the reasons stated on ***Exhibit A*** hereto.

14. The Debtors reserve the right to further respond to any of the Objections at the Disclosure Statement Hearing.

WHEREFORE the Debtors respectfully request entry of an order (i) overruling any Objections that were not resolved by the Modifications, (ii) approving the Disclosure Statement, as modified by the Modifications, (iii) granting the Motion, as modified by the Modifications, and (iv) granting such other and further relief as the Court may deem just and appropriate.

Dated: December 13, 2010
Wilmington, Delaware

/s/ *Zachary I. Shapiro*
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

ATTORNEYS FOR
DEBTORS AND DEBTORS IN
POSSESSION

EXHIBIT A

DISCLOSURE STATEMENT ("*DS*") OBJECTIONS[1]

Objector	Objection	Debtors' Response
Official Committee of Unsecured Creditors ("*Committee*") [Docket No. 977]	Approval of the DS should be denied because solicitation of votes on the Plan will be futile.	Addressed in Debtors' omnibus reply.
	DS should contain additional disclosure about the Committee's opposition to the Plan.	The Debtors have included language in the DS to address this point. (*See* DS-3).
	DS should disclose the Committee's ongoing investigation of Estate Claims (as defined in the Committee's objection) and the Debtors' intentions with respect to the Estate Claims.	This is irrelevant because under the terms of the Plan, the Trustees, not the Debtors or the Committee, will determine the handling of Estate Claims.
	The Plan undermines the ability of the Trustees to pursue the Estate Claims by exculpating insiders from liability.	This is a confirmation objection. Moreover, nothing in the Plan prevents the Trustees from pursuing valid Estate Claims. The Plan does not release third parties from prepetition conduct. The Debtors have revised the Plan to make this clearer. In addition, the Debtors have excluded from the exculpation provision any claims arising from gross negligence, intentional misconduct and intentional fraud, and the board's December 10, 2009 decision to liquidate the Debtors' assets – which is the only postpetition conduct that the Committee to date has identified as being potentially actionable. The Committee has failed to specifically identify any other postpetition conduct on the part of third-parties that is actionable. Thus, the Plan is no different than any other chapter 11 plan where officers and directors are getting exculpated. And, as the Debtors have made clear on numerous occasions, the Court will have the opportunity to rule on the legality of the proposed exculpation.

[1] Any capitalized terms not defined herein have the meaning ascribed to such term in the Plan.

Objector	Objection	Debtors' Response
	DS should provide additional disclosure regarding conflicts between the personal interests of insiders and the interest of the estates. Specifically, the DS should describe the litigation over the claims of Dennis Alter and William Rosoff (the "***Alter & Rosoff Claims***"), the basis for the claims, whether there are any defenses to the claims, and whether confirmation of the Plan could alter the estate's rights and defenses with respect to such claims.	The existence of the Alter & Rosoff Claims, including the amounts, is adequately disclosed in the DS. Nothing in the Plan liquidates the Alter & Rosoff Claims or prevents the Debtors or the Trustees from defending against such claims, even on the basis of postpetition acts that that are covered by the exculpation provision. Additional details about the Alter & Rosoff Claims and the discussion of possible defenses thereto are not relevant to creditors' decision to vote on the Plan.
	DS fails to advise creditors that the Plan does not provide the Committee or creditors generally with any consent, consultation or approval rights with respect to certain aspects of the Plan and the DS should state why the Debtors have denied the Committee such rights.	The DS does not have to specifically state that the Committee has no consent rights because the Plan is clear by omission on this point. The existence of consent rights is a confirmation issue. The Committee's proposed language on this point is an attempt to inappropriately use the DS as a forum to voice its Plan objection.
	Solicitation Packages should include a letter from the Committee.	The Debtors do not object to the Committee including a letter to creditors as part of the Voting Solicitation Packages that states the Committee's opposition to the Plan. But the letter proposed by the Committee contains misleading statements and inflammatory language. The Debtors' proposed changes to the Committee's letter are attached as ***Exhibit B*** to the omnibus reply.
	The Plan fails to provide any mechanism for the appointment of the board of directors of Reorganized Advanta.	This is a confirmation objection. The Debtors will disclose the identity of the initial director(s) of Reorganized Advanta as part of the Plan Supplement, which will be filed in advance of the Voting Deadline and the Confirmation Objection Deadline. The Committee and other parties in interest will have the ability to object to the identity of the directors when they are disclosed in the Plan Supplement. In addition, the Debtors will not select the initial board of the Reorganized Advanta unless two-thirds of the existing board approves such selection.

Objector	Objection	Debtors' Response
	The Plan is unconfirmable because it has not been proposed or promoted in good faith because the plan process allegedly is being used to force creditors to accept a plan that seeks to insulate the Alter & Rosoff Claims at the expense of the remaining creditors by impairing the estates' ability to offset or otherwise challenge the Alter & Rosoff Claims.	This is simply not true and the Committee has failed to show otherwise. In any event it is a confirmation objection, and is an evidentiary issue.
	The Confirmation Objection Deadline should be 28 days after the Voting Deadline so that parties can await the results of the solicitation process before conducting discovery and the preparation of the Plan objections.	This unusual proposed timeline will unduly delay the Plan confirmation process at the expense of creditors. There is no reason to believe that the Plan will not be confirmed.
	The Voting Deadline should be extended to 35 days after the Solicitation Date because of the intervening holidays.	The Debtors agree to set the Voting Deadline and the Confirmation Objection Deadline at least 35 days after the Solicitation Date.
	Voting Nominees' time to provides beneficial holders with Solicitation Packages should be longer than 5 business days.	Five (5) business days is the typical period of time that Voting Nominees have to provide solicitation materials to beneficial holders and is a sufficient period of time. The Committee has not demonstrated any special circumstances that justify extended time in these cases.

Objector	Objection	Debtors' Response
	The Solicitation Procedures must be revised to disclose the dates by which the Debtors must do the following: • file and serve a voting report; • file and serve copies of all ballots to permit creditors or Committee to inspect such ballots; • notify the Committee of any ballots being challenged by the Debtors and provide the Committee time to respond to such challenges; • file and serve the proposed form of confirmation order, brief, and affidavits in support; and • serve notice of selection of the Trustees and their appointment.	Debtors will include the following dates in the proposed order: • 3 business days before the Confirmation Hearing as the deadline to file and serve the voting report; and • 3 business days before the Confirmation Hearing as the deadline to file and serve the proposed form of confirmation order, brief, and affidavits in support. Debtors are not required by the Bankruptcy Code to file and serve copies of completed ballots. The Solicitation Agent, as an officer of the court, will tabulate the ballots and will file an affidavit with the Court certifying the votes. The Committee will be able to object to the certification if it deems appropriate. No further procedures are required to ensure a fair vote count. The Debtors will disclose the selection of the Trustees as part of the Plan Supplement.
	The Solicitation Materials should be served in hard-copy form and not in CD-ROM form because many of the creditors do not have access to Computers.	The Debtors agree to serve the Solicitation Packages on holders of Investment Claims and RediReserve Certificates in hard-copy form. All other voting creditors are either sophisticated financial institutions or other entities that typically receive certain portions of solicitation packages on CD-ROMs.
	Additional disclosure should be added to disclose that there are no assurances that any Class will accept the Plan.	The Debtors have added language to the DS to address this point. (*See* DS-70).

Objector	Objection	Debtors' Response
Bank of New York Mellon Trust Company, N.A. [Docket No. 987]	Joins Committee's objection.	See responses to Committee's objection.
	Reserves right to object to confirmation of the Plan based on the Plan's failure to allow holders of Investment Notes and RediReserve Certificates to receive postpetition interest on their notes prior to the Subordinated Notes retaining any distributions.	This is a confirmation objection. In addition, the relevant indenture does not provide that holders of Investment Notes and RediReserve Certificates are entitled to receive postpetition interest on their notes before the Subordinated Notes retain any distributions.
Law Debenture Trust Company of New York and Delaware Corporate Services [Docket No. 984]	Joins Committee's objection.	See responses to Committee's objection.
	Has additional unspecified Plan issues relating to indenture trustee provisions in the Plan.	Debtors are working with Law Debenture to consensually resolve these Plan issues and have made certain modifications to the Plan as a result. (*See* DS-31, DS-32, DS-35, DS-51).
U.S. Trustee [Docket No. 975]	DS does not provide adequate information as to why certain claims are subordinated and what the effect of the Plan injunction is on these claims.	The Debtors have added language to the DS to clarify these points. (*See* DS-20, DS-21, DS-36).
	DS should explain the effect of confirmation on the other litigation claims.	The Debtors have added language to the DS to clarify the effect of confirmation on other litigation claims. (*See* DS-21).
	DS should explain why substantive consolidation is appropriate and whether Debtors will seek to close the bankruptcy cases of the Consolidated Debtors when the Plan is confirmed.	This is a confirmation objection. The Debtors believe that creditors will approve substantive consolidation of the Consolidated Debtors because no creditor is materially hurt by substantive consolidation. The DS informs creditors of the effects of substantive consolidation. If an affected creditor objects to substantive consolidation, the Debtors will be prepared to show why substantive consolidation is appropriate under existing case law. In addition, whether the Debtors will seek to close the bankruptcy cases of the Consolidated Debtors will be determined by the AC Trustee.
	DS fails to contain adequate language as to who specifically holds the equity interests that are entitled to vote and why there is different treatment among the various equity interests.	The Debtors have added language to the DS to clarify these points. (*See* DS-7, DS-8).

Objector	Objection	Debtors' Response
	Plan Supplement should be filed more than 5 business days before the Voting Deadline.	The Debtor agree to file the Plan Supplements 10 calendar days before the Voting Deadline
	DS should disclose information about the Compensation and Benefit Programs and why liquidating Debtors would need such programs in place	The Debtors have added language to the DS to disclose that certain employees may continue to assist the trustees in the wind-down process, thus necessitating the retention of some benefit programs post-confirmation. The list of Compensation and Benefit Programs will be filed as part of the Plan Supplement. An objection to the continuation of any specific program is a confirmation objection. (*See* DS-50).
	Debtors should not be permitted to deem an acceptance of the Plan by any ballot where a determination cannot be made if the claimant or interest holder affirmatively accepted the Plan	The Debtors have modified the proposed order to provide that ballots will not be counted where a determination cannot be made if the claimant or interest holder affirmatively accepted the Plan
	Voting and Plan objection deadline should be extended to 35-40 days after the Solicitation Date because of the intervening holidays	The Debtors agree to set the Voting Deadline and the Confirmation Objection Deadline at least 35 days after the Solicitation Date.
	Each of the ballots should contain a description or a listing of the Plan provisions regarding exculpation and injunctions	Because of the length of the injunction and exculpation provisions, reciting them in the ballots will make the ballots unwieldy. Instead, the Debtors will add a provision in each ballot that notifies the voter of the existence of the injunction and exculpation provisions in the Plan and refers the voter to those provisions.
Underland/Class Action Plaintiffs ("*Underland Objection*") [Docket No. 976]	Plan's injunction is ambiguous and should not release claims against non-debtors; also not clear what claims are being released in Section 10.3(a)(v).	This is a confirmation objection. Nonetheless, the Plan's injunction is not intended to release non-debtors and Debtors have clarified the Plan to make this clear. (*See* Section 10.3 of the Plan).
	Plan's exculpation provision is ambiguous and may apply to prepetition conduct.	This is a confirmation objection. Nonetheless, the exculpation provision is not intended to release third parties from prepetition conduct and the Debtors have added language to the Plan and the DS to make this clear. (*See* Section 10.7 of the Plan).

Objector	Objection	Debtors' Response
	The DS and Plan fail to provide an adequate protocol for the preservation of Debtors' records or documents and fails to provide objector with notice of disposition of such records or documents.	This is a confirmation objection. The Trust Agreements, which will be filed as part of the Plan Supplement, will provide a mechanism for the Trustee's disposition of the Debtors' books and records. Any party will be able to object to the form Trust Agreements as part of the Plan confirmation process.
	The DS and Plan fail to provide adequate disclosure regarding the terms and limits with respect any directors and officers insurance ("***D&O Insurance***"), including which individuals are covered by such insurance and whether there are any pending claims for indemnification by such individuals.	The objectors are inappropriately using the DS objection process to seek discovery from the Debtors with respect to the D&O Insurance. Detailed information regarding the D&O Insurance is not relevant to creditors in voting on the Plan. The Plan does not affect D&O Insurance and specifically preserves all parties' rights with respect to D&O Insurance.
ERISA Class Representatives ("*ERISA Class Objection*") [Docket No. 980]	The Plan improperly classifies ERISA claims as Class 6 Subordinated Claims; subordination should be sought through a claim objection or commencement of some other contested matter so that claimants can have their "day in court".	This is a confirmation objection. In addition, it is permissible for Debtors to seek to subordinate the ERISA claims as part of the Plan. Section 510(b) of the Bankruptcy Code provides that subordination is mandatory and does not require that a separate proceeding be commenced. Bankruptcy Rule 7001(8) provides that an adversary proceeding can be commenced to subordinate claims, except when the chapter 11 plan provides for such subordination. The claimants are free to file an objection to confirmation of the Plan on the ground that their claims should not be subordinated under Section 510(b).
	Same objection to injunction and exculpation provisions as in the Underland Objection.	See response to the Underland Objection.
	Same objection to preservation of documents as in the Underland Objection.	See response to the Underland Objection.
	Same objection to the disclosure of the D&O Insurance coverage as in the Underland Objection	See response to the Underland Objection.

Objector	Objection	Debtors' Response
	Requests inclusion of the following language in the Plan and the DS: "Nothing in the Plan, or in any Order confirming the Plan, shall preclude Plaintiffs and the ERISA Class from pursuing their claims against the Debtors to the extent of available insurance coverage and proceeds. The Claims of Plaintiffs and the ERISA Class against the Debtors, to the extent of available insurance, are preserved and not discharged by the Plan."	This is a confirmation objection. In addition, to the extent the ERISA Claims are subordinated, they should not be allowed to pursue their claims against the Debtors to the extent of available insurance coverage until either all senior general unsecured claims have been paid in full or it is determined that there are no other claims against available insurance coverage, such that pursuit of the Plaintiffs' claims against insurance coverage will not increase potential indemnification claims against the Debtors' estates, thus depleting recoveries of more senior creditors.
Lead Plaintiff, Western Pennsylvania Electrical Employees Pension Fund [Docket No. 979]	Same objection to injunction and exculpation provisions as in the Underland Objection.	See response to the Underland Objection.
	Same objection to preservation of documents as in the Underland Objection.	See response to the Underland Objection.
	Same objection to the disclosure of the D&O Insurance coverage as in the Underland Objection.	See response to the Underland Objection.
	Requests same language about pursuing claims against the Debtors to the extent of D&O Insurance coverage as the ERISA Class Objection.	See response to the ERISA Class Objection.
Marble Arch Investments, LP's [Docket No. 988]	Joins Committee's objection and any other objection to the extent consistent with the Committee's objection.	See responses to Committee's objection.
Eileen J. Winton [Docket No. 973]	Seeks explanation as to why equity in Advanta Corp. is extinguished while equity in certain of the subsidiaries is not.	The Debtors have added language to the DS to clarify this point. (*See* DS-8).

EXHIBIT B

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ADVANTA CORP., et al. (Case No. 09-13931 (KJC))

December [ ], 2010

TO: Unsecured Creditors of Advanta Corp. ("Advanta") and affiliated debtors (the "Debtors")

The Official Committee of Unsecured Creditors (the "Creditors' Committee")[1] of Advanta and the Debtors was appointed by the Office of the United States Trustee (an arm of the U.S. Department of Justice) on November 19, 2009 pursuant to federal law to represent the interests of unsecured creditors of Advanta and the other Debtors, such as you. The Creditors' Committee has analyzed the terms of the Debtors' Joint Plan Under Chapter 11 of the Bankruptcy Code dated as of November 2, 2010 (the "Debtors' Plan") that is enclosed in this package and writes to inform you of its determinations and recommendations regarding the Debtors' Plan.[2]

The Creditors' Committee unanimously recommends you

VOTE TO REJECT THE DEBTORS' PLAN

on the ballot enclosed in this package.

The Debtors' Plan, if accepted by unsecured creditors, such as yourself, and confirmed by the Bankruptcy Court, will govern how and what you are entitled to recover on your claims against Advanta and the other Debtors. Accordingly, the Creditors' Committee believes it is important for you to consider the effect of the Debtors' Plan on your claims against

[1] The Creditors' Committee consists of the following members: (i) The Bank of New York Mellon, in its capacity as Indenture Trustee for holders of the Investment Notes and RediReserve Certificates; (ii) Stonehill Capital Management LLC ("Stonehill"); (iii) DVL Incorporated; (iv) Brandywine Operating Partnership; and (v) Law Debenture Trust Company of New York, in its capacity as Indenture Trustee for the holders of Subordinated Notes. The Creditors' Committee selected Stonehill as its chair. The members of the Creditors' Committee constitute the Indenture Trustees for both the Investment Notes and RediReserve Certificates (collectively with the Investment Notes, the "Retail Notes") and the Subordinated Notes, a holder of the Retail Notes and the Subordinated Notes and holders of unsecured claims against the Debtors. Pursuant to orders entered by the Bankruptcy Court, the Creditors' Committee retained Latham & Watkins LLP and Drinker Biddle & Reath LLP as its attorneys and FTI Consulting, Inc. as its financial advisor.

[2] The Bankruptcy Court has authorized the Creditors' Committee to send this letter. Such authorization, however, neither represents an endorsement or rejection by the Bankruptcy Court of the positions set forth in this letter. Any capitalized terms used but not defined herein have the meaning ascribed to such terms in the Debtors' Plan.

Advanta and the other Debtors. ~~This letter explains why the Creditors' Committee recommends that you vote to reject the Debtors' Plan.~~

The ~~Committee, based on the advice of its attorneys and financial advisors and on its own analysis, has concluded that the Debtors' Plan undermines the rights of unsecured creditors and fails to maximize recoveries for unsecured creditors. The Creditors' Committee believes that the Disclosure Statement included in this package fails to make clear the negative and costly implications of confirmation of the Debtors' Plan. For example, the Disclosure Statement fails to sufficiently disclose the facts and circumstances surrounding approximately $51.8 million in claims filed by Dennis Alter ("Alter"), the Debtors' chief executive officer and chairman of the Board, and William Rosoff ("Rosoff"), the Debtors' president and vice chairman of the Board, and the potential that allowance of those claims may significantly dilute the recoveries of other unsecured creditors. The Disclosure Statement also fails to explain that the Creditors' Committee believes that claims may exist against the Debtors' directors and officers for their conduct both before and after the Debtors filed for bankruptcy. While the Creditors' Committee has begun and continues to investigate these claims and believes them to be valuable, the Debtors' Plan may fail to preserve the unsecured creditors' rights to pursue the claims and will impair the ability of the Debtors' estates to defend against and challenge the claims filed by Alter and Rosoff.~~

~~Taken together, the Creditors' Committee believes that the Debtors' Plan, and the manner in which the Debtors have put forth the Debtors' Plan, harms the rights of unsecured creditors by, among other things:~~

1. ~~Releasing current and former directors and officers of the Debtors, including Alter and Rosoff, for potentially actionable conduct taken by such directors and officers after the Debtors filed for bankruptcy. This release could make it impossible for the unsecured creditors to bring claims against any director or officer for wrongful acts and omissions that took place after these bankruptcy cases began and this release will also harm the ability of the Debtors' estates to defend against and challenge the approximately $51.8 million in claims filed by Alter and Rosoff against Advanta in these bankruptcy cases;~~

2. ~~Potentially hindering the prosecution of claims that the Debtors may have against current and former directors and officers of the Debtors and other third parties by omitting language requested by the Creditors' Committee to ensure that the Bankruptcy Court will be the court in which any such claims are litigated and decided; and~~

3. ~~Providing the Debtors with exclusive authority and sole and unfettered discretion to administer certain key provisions of the Debtors' Plan without the consent of the Creditors' Committee despite the fact that, in the current liquidation setting, such provisions only impact the rights and recoveries of the unsecured creditors. The Committee strongly believes that the unsecured creditors, by way of the Creditors' Committee, should be granted consultation, consent and approval rights with respect to such provisions. In particular, given the admitted conflicts of interest between the personal interests of the Debtors' insiders and the interests of the estates and all other~~

~~creditors, the Creditors' Committee believes it is inappropriate and unfair for the Debtors to have the sole authority under the Debtors' Plan to appoint the Trustees who will be tasked with, among other things, (a) liquidating the Debtors' assets, (b) objecting to claims against the Debtors' estates that would dilute the claims of other creditors, such as the approximately $51.8 million in claims asserted by Alter and Rosoff, and (c) investigating and prosecuting the Debtors' claims for the benefit of creditors, including claims that the Creditors' Committee believes may exist against Alter, Rosoff and the Debtors' other officers and directors.As a result of these and other terms of the Debtors' Plan, the~~ Creditors' Committee unanimously believes that the Debtors' Plan ~~severely~~ undermines the rights and interests of all unsecured creditors and that **ALL UNSECURED CREDITORS SHOULD VOTE TO REJECT THE DEBTORS' PLAN**.

Please keep in mind: If any unsecured creditor votes to reject the Debtors' Plan but the Debtors' Plan is nevertheless confirmed by the Bankruptcy Court, any such unsecured creditor that voted to reject the Debtors' Plan will still receive all distributions that such creditor is entitled to received under the Debtors' Plan.

Voting Deadlines and Creditors' Committee Internet Updates: The deadline to submit all votes to either reject or accept the Debtors' Plan is January [ ], 2011 (the "Voting Deadline"). All unsecured creditors should consult and review the Debtors' solicitation materials contained in this package, including the voting ballots and instructions for casting a vote to reject or accept the Debtors' Plan, before submitting any ballot. Finally, from time to time until the Voting Deadline, the Creditors' Committee may provide important updates regarding these matters on its website (the "Committee Website") at http://www.advantacommittee.com/.

Please be advised that all unsecured creditors should cast a vote on the Debtors' Plan even if a third party such as, The Bank of New York Mellon, Law Debenture Trust Company of New York or a predecessor-in-interest, filed a proof of claim on his, her, or its behalf. The Bank of New York Mellon, as trustee, will NOT be voting on the Debtors' Plan in these bankruptcy cases on behalf of any unsecured creditor, including those holders of obligations under the indenture dated October 23, 1995 between Advanta Corp. as issuer, and The Bank of New York Mellon, as trustee.

Recommendation: The Creditors' Committee unanimously recommends that all unsecured creditors entitled to vote under the Debtors' Plan vote to **REJECT THE DEBTORS' PLAN**.

The Debtors provided you with a ballot in connection with the Debtors' Plan. In order to have your vote counted with respect to the Debtors' Plan, you must complete and return the ballot in accordance with the procedures found within the Debtors' Plan. **Please follow the voting instructions carefully and complete your ballot in its entirety before the Voting Deadline.**

For further information and details concerning the Debtors' Plan and the Creditors' Committee's determinations and recommendations in this letter, please review the

Creditors' Committee's objections to the Debtors' *Motion to Extend Exclusive Periods for Filing a Chapter 11 Plan and Solicitation of Acceptances Thereto* [D.I. 903] and the Debtors' *Motion for an Order (I) Approving the Proposed Disclosure Statement, (II) Approving Notice and Objection Procedures for the Disclosure Statement Hearing, (III) Establishing Solicitation and Voting Procedures, (IV) Scheduling a Confirmation Hearing, and (V) Establishing Notice and Objection Procedures for Confirmation of the Proposed* Plan [D.I. 899]. The Creditors' Committee's objections can be found on the Bankruptcy Court's docket as docket entries [ ] and [ ], respectively. The Creditors' Committee's objections can also be found on the Committee Website.

If you have any questions concerning the Debtors' Plan or the Creditors' Committee's recommendation set forth in this letter, please contact the following:

Adam Goldberg
of Latham & Watkins LLP
885 Third Avenue, Suite 1000
New York, New York 10022
Direct Dial: 212-906-1828
Email: Adam.Goldberg@lw.com

Aaron Singer
of Latham & Watkins LLP
885 Third Avenue, Suite 1000
New York, New York 10022
Direct Dial: 212-906-4527
Email: Aaron.Singer@lw.com

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ADVANTA CORP., *et al.*