

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

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

**FEE AUDITOR’S FINAL REPORT REGARDING THE SECOND INTERIM
FEE APPLICATION OF WEIL GOTSHAL & MANGES LLP**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Second Interim Fee Application of Weil Gotshal & Manges LLP (the “Application”).

BACKGROUND

1. Weil, Gotshal & Manges LLP (“Weil Gotshal”) was retained as counsel to the Debtors and Debtors-in-Possession. In the Application, Weil Gotshal seeks approval of fees totaling \$2,915,289.00 and expenses totaling \$46,218.61 for its services from April 1, 2010 through July 31, 2010 (the “Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2010, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the

District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on Weil Gotshal based on our review, and we received a response from Weil Gotshal, portions of which response are quoted herein.

DISCUSSION

3. We noted certain instances in which multiple Weil Gotshal professionals attended the same hearing. See Exhibit “A.” Paragraph II.D.5. of the U.S. Trustee Guidelines provides: “If more than one professional from the applicant firm attends a hearing or conference, the applicant should explain the need for multiple attendees.” For each hearing listed, we asked Weil Gotshal to explain why it was necessary for each attorney to be present. Weil Gotshal’s response is included as Response Exhibit “1.” We appreciate Weil Gotshal’s response and, consistent with the response, recommend a reduction of \$790.00 in fees.

4. We noted several instances in which multiple Weil Gotshal professionals attended the same meetings or conferences. See Exhibit “B.” In light of the guideline cited above, for each conference listed, we asked Weil Gotshal to explain why it was necessary for each attorney to be present. Weil Gotshal’s response is included as Response Exhibit “2.” We appreciate Weil Gotshal’s response and, consistent with the response, recommend total reductions of \$3,106.00 in fees.

5. We noted that on May 27, 2010, attorney Max Goodman (\$665) appears to have billed twice for the same discussion. The pertinent portion of the time entry is indicated in bold print:

05/27/10	Goodman, Max	8.70	5,785.50	REVISE OBJECTION TO FDIC’S STAY MOTION (6.0); CONFERENCE CALL WITH WGM TEAM AND LATHAM & WATKINS RE: OBJECTION TO FDIC’S
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**STAY MOTION (.9); DISCUSSION WITH
S. GOLDRING RE: SAME (.8); DISCUSS
SAME WITH S. GOLDRING (1.0)**

We asked Weil Gotshal whether a duplication had occurred, and Weil Gotshal responded:

Max Goodman's time entry on May 27, 2010 was inadvertently entered incorrectly.
The entry should correctly state:

“Revise objection to FDIC's stay motion (7.8); conference call with
S. Goldring, J. Pohl, R. Lemons, R. Levine, H. Murray, and Latham
re: objection to FDIC's stay motion (.9).”

Therefore, Mr. Goodman did not bill twice for the same discussion and the fees for
this entry should be allowed in the full amount.

We consider that, generally, contemporaneous records should be afforded greater weight than a
reconstruction of past events, and more detailed records should be afforded greater weight than less
detailed records (thus we give more weight to the detail provided in the original invoice than
subsequent explanations). We believe that Weil Gotshal has not given us a good reason for
deviating from these general principles. Moreover, the response does not explain why time was
entered for two discussions with Mr. Goldring. Thus, we recommend disallowance of 0.8 hours for
one such discussion, for a reduction of \$532.00 in fees.

6. We noted the following instances in which attorneys Scott Litvinoff (\$455) and
Haskell Murray (\$550) billed the same amount of time on the exact same tasks:

06/30/10	Litvinoff, Scott	9.50	4,322.50
PREPARE WITH H. MURRAY FOR MEETINGS AT ADVANTA (1.0); MEET AT ADVANTA OFFICES WITH H. MURRAY, P. BROWNE, L. PRESTON, D. ALBERT, E. STONE, L. BROWNE (4.6); REVIEW PAPER DOCUMENTS FROM CURRENT FILES OF B. ROSSOFF (2.0); DRAFT WITH H. MURRAY PROPOSED SCHEDULE FOR PRODUCTION OF JOINT PRE-TRIAL MEMORANDUM (.4); CONFERENCE WITH H. MURRAY RE: FOLLOW-UP ITEMS FOR DOCUMENT PRODUCTION PROCESS (1.2); MULTIPLE E-MAIL CORRESPONDENCE WITH K. YODA RE: DOCUMENT PRODUCTION PROCESS (.3).			

06/30/10	Murray, Haskell	9.50	5,225.00
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PREPARE WITH S. LITVINOFF FOR MEETINGS AT ADVANTA (1.0); MEET AT ADVANTA OFFICES WITH S. LITVINOFF, P. BROWNE, L. PRESTON, D. ALBERT, E. STONE, L. BROWNE (4.6); REVIEW PAPER DOCUMENTS FROM CURRENT FILES OF B. ROSSOFF (2.0); DRAFT WITH S. LITVINOFF PROPOSED SCHEDULE FOR PRODUCTION OF JOINT PRE-TRIAL MEMORANDUM (.5); CONFER WITH S. LITVINOFF RE: FOLLOW-UP ITEMS FOR DOCUMENT PRODUCTION PROCESS (1.2); MULTIPLE E-MAIL CORRESPONDENCE WITH K. YODA RE: DOCUMENT PRODUCTION PROCESS (.2).

07/07/10 Litvinoff, Scott 10.10 4,595.50
E-MAIL CORRESPONDENCE WITH K. YODA, IRIS (.3); PREPARE FOR DOCUMENT COLLECTION (.7); REVIEW DOCUMENTS FOR COLLECTION (2.4); MEET WITH H. MURRAY RE: DOCUMENT REVIEW ISSUES (.8); CONTINUE REVIEW OF DOCUMENTS FOR COLLECTION (4.8); ATTEND TELEPHONE CONFERENCE WITH K. YODA RE: DOCUMENT PRODUCTION PROCESS ISSUES (.5); E-MAIL CORRESPONDENCE WITH K. YODA AND IRIS RE: PAPER DOCUMENT COLLECTION (.6).

07/07/10 Murray, Haskell 10.10 5,555.00
E-MAIL CORRESPONDENCE WITH K. YODA AND IRIS (.3); PREPARE FOR DOCUMENT COLLECTION (WHILE TRAVELING TO ADVANTA SITE) (.7); REVIEW DOCUMENTS FOR COLLECTION (2.4); MEET WITH S. LITVINOFF RE: DOCUMENT REVIEW ISSUES (.8); CONTINUE REVIEW OF DOCUMENTS FOR COLLECTION (4.8); ATTEND CONFERENCE WITH K. YODA RE: DOCUMENT PRODUCTION PROCESS ISSUES (.5). E-MAIL CORRESPONDENCE WITH K. YODA, IRIS RE: PAPER DOCUMENT COLLECTION (.6).

We asked Weil Gotshal to explain how this occurred. Weil Gotshal responded as follows:

On June 30, 2010 and July 7, 2010 Mr. Murray (mid-level associate, Litigation Department) and Mr. Litvinoff (associate, Litigation Department) both traveled to the Debtors' offices in Conshohocken, Pennsylvania to prepare for the FDIC Litigation. This preparation required Mr. Murray and Mr. Litvinoff to collect documents for discovery in connection with the FDIC Litigation. During the course of these trips, both Mr. Murray and Mr. Litvinoff were jointly managing the document collection process. Both Mr. Murray and Mr. Litvinoff coordinated their time entries for these two days because they completed all tasks at the Debtors' offices in Conshohocken, Pennsylvania together.

We accept Weil Gotshal's response and have no objection to these fees.

7. We noted that between July 2, 2010 and July 14, 2010, eight Weil Gotshal attorneys attended training on the use of Relativity and Concordance software. The total time spent was 12 hours, for total fees of \$4,628.60.

07/02/10 Bronson, Ardith 1.50 1,050.00
PARTICIPATE IN REVIEW TRAINING SESSION IN RESPONSE TO INVESTIGATION (.8);.....

07/02/10 Simons, Caroline 0.80 364.00
ATTEND TRAINING ON RELATIVITY SYSTEM FOR DOCUMENT REVIEW IN RESPONSE TO INVESTIGATION.

07/08/10 Kaufman, Marcie 8.80 5,236.00
.....; ATTEND TRAINING SESSION ON IRIS (1.5);.....

07/08/10 Doktor, Christine 5.40 2,781.00
.....; ATTEND DOCUMENT REVIEW TOOL (RELATIVITY) TRAINING SESSION (1.8);.....

07/08/10 Newell, Ariane 2.10 1,081.50
.....; PARTICIPATE IN DOCUMENT REVIEW SYSTEM AND CODING WEBEX TRAINING (1.8).

07/08/10 Condon, Robert 5.70 1,054.50
.....; ATTEND IRIS RELATIVITY WEB TRAINING FOR DISCOVERY PURPOSES (1.8).

07/08/10 Hausman, Jeffrie 1.80 468.00
.....; ATTEND TRAINING RE: RELATIVITY SOFTWARE (.8).

07/19/10 Hausman, Jeffrie 3.50 910.00
.....; ATTEND CONCORDANCE TRAINING (.7);.....

07/19/10 Yoda, Kristine 3.00¹ 705.00
TRAINING IN CONCORDANCE; CREATE AND REVIEW TAGS; MULTIPLE REQUESTS TO LOAD PRODUCTION DATA AND CREATE NEW DATABASES.

It appears to us that training is an administrative task and therefore overhead. We asked Weil Gotshal to explain why the estate should compensate these fees, and Weil Gotshal responded as follows: “Weil has reviewed the Fee Auditor’s comments regarding the time billed for training sessions conducted during the Second Interim Period and agrees to reduce its requested fees for the Second Interim Period by \$4,628.60.” We appreciate Weil Gotshal’s response and recommend a

¹Because this time entry was “lumped,” the exact amount of time spent on training cannot be determined.

reduction of \$4,628.60 in fees.

8. We noted that on July 29, 2010, six Weil Gotshal attorneys attended the deposition preparation session for D. Albert. The total time spent was 39.50 hours, for total fees of \$28,812.50.

07/29/10 Levine, Richard 10.00 8,850.00
.....; PREPARE D. ALBERT FOR DEPOSITION (7.5);.....

07/29/10 Goldring, Stuart 6.90 6,831.00
PREPARE D. ALBERT FOR DEPOSITION.

07/29/10 Kaufman, Marcie 10.40 6,188.00
.....; ATTEND D. ALBERT DEPOSITION PREPARATION SESSION WITH R. LEVINE,
S. GOLDRING, H. MURRAY, M. GOODMAN, AND V. VRON (5.0);.....

07/29/10 Murray, Haskell 8.40 4,620.00
.....; PREPARE D. ALBERT FOR DEPOSITION (7.0);.....

07/29/10 Goodman, Max 8.80 5,852.00
ATTEND TO DEPOSITION PREPARATION FOR D. ALBERT (7.6);.....

07/29/10 Vron, Victoria 6.90 4,347.00
ASSIST WITH D. ALBERT DEPOSITION PREPARATION FOR FDIC LITIGATION (5.5);.....

We asked Weil Gotshal to explain why it was necessary for each attorney to attend this session, and

Weil Gotshal responded:

The deposition preparation session on July 29, 2010 was held to prepare the Debtors' accountant, Mr. Albert, for his deposition in connection with the FDIC Litigation. Mr. Goodman (senior associate, Tax Department) and Mr. Goldring (partner, Tax Department) attended different portions of the deposition preparation session. A tax attorney's presence was necessary during this deposition preparation session because Mr. Albert's testimony was related to the FDIC's tax dispute with the Debtors. It was also necessary for Mr. Murray (mid-level associate, Litigation Department) to attend the deposition preparation session because he was part of the litigation team arguing on behalf of the Debtors in connection with the FDIC Litigation. Mr. Levine (partner, Litigation Department), the chief Weil litigator, and Ms. Kaufman (senior associate, Litigation Department) attended only a portion of the deposition preparation session in order to answer questions Mr. Albert had and address general litigation strategy issues that arose during the deposition preparation session. Similarly, Ms. Vron (senior associate, BFR) attended the deposition preparation in order to answer and/or resolve any bankruptcy issues that may have arisen during the

session. Accordingly, it was necessary and appropriate for each of the attorneys to be present at the preparation session, therefore, the fees should be allowed in the amount of \$28,812.50.

We accept Weil Gotshal’s response, except with respect to attendance at the preparation session by attorney Vron. The response indicates Ms. Vron was present “to answer and/or resolve any bankruptcy issues *that may have arisen* during the session.” Assuming any bankruptcy issues did actually arise, Ms. Vron could have been called to address them. The response fails to demonstrate why her attendance at the session was necessary. Thus, we recommend disallowance of Ms. Vron’s time at the deposition preparation session, for a reduction of \$3,465.00 in fees.

9. We noted the following expenses which appeared to be for word processing:

04/27/10	Coursant, Caroline S. Document Processing NY Document Processing, 3/17/2010, Job #6456, “Scanning Conversion” 2.05 Hour(s), Operator: Sonia Marroquin	82.00
04/27/10	Ganesh, Jennifer N. Document Processing NY Document Processing, 3/9/2010, Job#6089, Format only, 3.33 Hour(s), Operator: Jennifer Rillen	133.20
04/27/10	Ganesh, Jennifer N. Document Processing NY Document Processing, 3/9/2010, Job #6145, Format Only, 2.12 Hour(s), Operator: Karen Gropper	84.80
		300.00

Word processing expenses are classified as nonreimbursable overhead under the U.S. Trustee Guidelines, Paragraph II.E.7: “Overhead includes word processing, proofreading, secretarial and other clerical services....” We asked Weil Gotshal to explain why the estate should reimburse these expenses, and Weil Gotshal responded: “Weil has reviewed the Fee Auditor’s comments regarding

the expenses billed for word processing during the Second Interim Period and agrees to reduce its requested fees for the Second Interim Period by \$300.00.” We appreciate Weil Gotshal’s response and recommend a reduction of \$300.00 in expenses.

CONCLUSION

10. Thus, we recommend approval of \$2,902,767.40 in fees (\$2,915,289.00 minus \$12,521.60) and \$45,918.61 in expenses (\$46,218.61 minus \$300.00) for Weil Gotshal’s services for the Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 

Warren H. Smith
Texas State Bar No. 18757050

325 N. St. Paul Street, Suite 1250
Dallas, Texas 75201
214-698-3868
214-722-0081 (fax)
whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 5th day of January, 2011.


Warren H. Smith

SERVICE LIST
Notice Parties

Applicant

Marcia L. Goldstein
Robert J. Lemons
Victoria Vron
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153

robert.lemons@weil.com
jennifer.ganesh@weil.com
victoria.vron@weil.com

U.S. Trustee

David Klauder
Office of the United States Trustee
District of Delaware
844 King Street, Suite 2207
Lockbox 35
Wilmington, DE 19801

Debtors

Philip M. Browne
Advanta Corp.
P.O. Box 844
Spring House, PA 19477

Debtor's Co-Counsel

Chun I. Jang
Richards, Layton & Finger, P.A.
One Rodney Square
920 North King Street
Wilmington, DE 19801

**Counsel to Official Committee of
Unsecured Creditors**

Mitchell A. Seider
Roger G. Schwartz
Latham & Watkins LLP
885 Third Avenue, Suite 1200
New York, NY 10022-4834

Howard A. Cohen
Drinker Biddle & Reath LLP
1100 N. Market Street, Suite 1000
Wilmington, DE 19801

EXHIBIT "A"

a. We noted that on May 10, 2010, attorneys Bruce Meyer (\$885), Robert Lemons (\$780), and Debora Hoehne (\$515) attended a hearing. The total time spent, including non-working travel, was 32 hours for total fees of \$18,875.50.

05/10/10	Meyer, Bruce	6.00	5,310.00	ATTEND COURT HEARING IN DELAWARE (3.0); TRAVEL TO DELAWARE WITH PREPARATION FOR HEARING ON TRAIN (3.0).
05/10/10	Lemons, Robert	8.60	6,708.00	PREPARE FOR AND ATTEND HEARING RE: SEVERANCE AND ADVANTA LIFE INSURANCE MOTIONS.
05/10/10	Hoehne, Debora	6.60	3,399.00	PREPARE FOR HEARING (3.9); ATTEND HEARING (2.7);.....
05/10/10	Meyer, Bruce	1.80	796.50	NON-WORKING TRAVEL FROM DELAWARE TO NY AFTER HEARING.
05/10/10	Lemons, Robert	2.60	1,014.00	TRAVEL TO AND FROM DELAWARE HEARING RE: SEVERANCE AND ADVANTALIFE INSURANCE COMPANY SALE HEARING.
05/10/10	Hoehne, Debora	6.40	1,648.00	TRAVEL TO AND FROM OMNIBUS HEARING.

b. We noted that on June 8, 2010, attorneys Richard Levine (\$885), Robert Lemons (\$780), and Stuart Goldring (\$990) attended a hearing. The total time spent, including non-working travel, was 15.70 hours, for total fees of \$12,543.00.

06/08/10	Levine, Richard	5.00	4,425.00	PREPARE FOR AND ATTEND HEARING IN DELAWARE BANKRUPTCY COURT.
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06/08/10 Lemons, Robert 5.50 4,290.00
PREPARE FOR AND ATTEND HEARING RE: BIZEQUITY SALE, SHI CLAIM, VARA
RETENTION, AND FDIC STATUS CONFERENCE.

06/08/10 Lemons, Robert 2.20 858.00
RETURN FROM OMNIBUS HEARING IN DELAWARE.

06/04/10 Goldring, Stuart 2.30 2,277.00
.....; PREPARE FOR TUESDAY HEARING (.8).

06/08/10 Goldring, Stuart 3.90 3,861.00
ATTEND PRE-COURT MEETING AT RICHARDS, LAYTON WITH WGM, P. HEATH, AND
J. DUBOW RE: FDIC MOTIONS (1.0); ATTEND COURT HEARING RE: SAME (1.2);.....

c. We noted that on June 9, 2010, attorneys Robert Lemons (\$780), Victoria Vron
(\$630), David Griffiths (\$515), and Debora Hoehne (\$515) attended a telephonic hearing. The total
time spent was 3.40 hours, for total fees of \$2,269.00.

06/09/10 Lemons, Robert 1.70 1,326.00
PREPARE FOR HEARING RE: SEVERANCE AND FDIC TRIAL SCHEDULING (.5); ATTEND
SAME AND FOLLOW UP CALL AND DISCUSSION WITH J. DUBOW AND WGM TEAM
(1.0);.....

06/09/10 Vron, Victoria 0.60 378.00
ATTEND TELEPHONIC HEARING RE: TAX LITIGATION SCHEDULING AND SEVERANCE
MOTION.

06/09/10 Griffiths, David 1.30 669.50
ATTEND TELEPHONIC HEARING RE: TAX LITIGATION SCHEDULING AND SEVERANCE
MOTION (.8);.....

06/09/10 Hoehne, Debora 0.60 309.00
TELEPHONIC HEARING RE: SEVERANCE MOTION (.5);.....

EXHIBIT "B"

a. We noted that on April 9, 2010, attorneys Paul Asofsky (\$925), Richard Levine (\$885), Stuart Goldring (\$990), Joshua Pohl (\$550), Haskell Murray (\$550), Robert Lemons (\$780), Max Goodman (\$665), Victoria Vron (\$630), and Debora Hoehne (\$515) participated in a conference call. The total time spent was 13.30 hours, for total fees of \$9,856.00.

04/09/10 Asofsky, Paul 1.80 1,665.00 030 20354676
PARTICIPATE IN TELEPHONE CONFERENCE WITH WGM TEAM, PRIOR TO CALL WITH LATHAM & WATKINS TO REVIEW STRATEGY WITH RESPECT TO FDIC (.5); PARTICIPATE IN TELEPHONE CONFERENCE WITH WGM TEAM AND LATHAM & WATKINS RE: SAME (1.3).

04/09/10 Levine, Richard 1.40 1,239.00 030 20281670
PARTICIPATE IN WEIL MEETING RE: TAX LITIGATION (.4); PARTICIPATE IN COORDINATION CALL WITH LATHAM & WATKINS RE: SAME (1.0).

04/09/10 Goldring, Stuart 2.20 2,178.00 030 20347105
PREPARE WITH WGM TEAM FOR CALL WITH COMMITTEE (.7); CALL WITH COMMITTEE RE: BANK TAX MOTION (1.2);.....

04/09/10 Pohl, Joshua 1.00 550.00 030 20268611
CONFER WITH WEIL ADVANTA TEAM AND LATHAM & WATKINS RE: LITIGATION STRATEGY FOR TAX LITIGATION.

04/09/10 Murray, Haskell 3.50 1,925.00 030 20273081
PREPARE FOR CONFERENCE CALL (.5);.....; CONFERENCE WITH LATHAM & WATKINS ATTORNEYS RE: LITIGATION STRATEGY (.8).

04/09/10 Lemons, Robert 1.50 1,170.00 030 20360636
ATTEND TO CALLS AND MEETINGS WITH LATHAM & WATKINS AND WGM TEAM RE: TAX MOTIONS FILED BY ABC.

04/09/10 Goodman, Max 2.00 1,330.00 030 20273074
PARTICIPATE IN CONFERENCE CALL WITH WGM TEAM AND LATHAM & WATKINS RE: TAX RETURN MOTIONS (1.7);.....

04/09/10 Vron, Victoria 3.10 1,953.00 030 20273608
.....; CALL WITH WGM TEAMS AND LATHAM & WATKINS RE: RESPONSE TO ABC'S TAX MOTION (1.0);.....

04/09/10 Hoehne, Debora 2.80 1,442.00 030 20357722
.....; CONFER WITH WEIL TEAM RE: OBJECTION (.7) AND CALL WITH LATHAM &
WATKINS RE: SAME (1);.....

b. We noted that on April 29, 2010, attorneys Paul Asofsky (\$925), Richard Levine (\$885), Robert Lemons (\$780), Stuart Goldring (\$990), Joshua Pohl (\$550), Max Goodman (\$665), Victoria Vron (\$630), and Debora Hoehne (\$515) participated in a conference call. The total time spent was 13.30 hours, for total fees of \$7,577.50.

04/29/10 Asofsky, Paul 0.90 832.50 030 20355891
PARTICIPATE IN WEIL/LATHAM & WATKINS GROUP CALL TO REVIEW OBJECTION.

04/29/10 Levine, Richard 1.50 1,327.50 030 20353236
REVIEW NUMEROUS EMAILS RE: DRAFT OBJECTION TO FDIC/ABC'S TAX MOTION (.6);
PARTICIPATE IN CONFERENCE CALL WITH UCC RE: SAME (.5);.....

04/29/10 Goldring, Stuart 3.80 3,762.00 030 20348280
CALL WITH LATHAM & WATKINS AND WGM TEAM RE: DRAFT OBJECTION TO
BANK'S MOTION (1.2);.....

04/29/10 Pohl, Joshua 4.50 2,475.00 030 20353593
ATTEND CONFERENCE WITH CREDITORS AND WEIL ADVANTA TEAM RE: OBJECTION
TO FDIC MOTION (1.4);.....

04/29/10 Lemons, Robert 1.90 1,482.00 030 20360708
REVIEW AND REVISE OBJECTION TO TAX RETURN MOTION FILED BY ABC (1.4); MEET
WITH WGM TEAM RE: SAME (.5).

04/29/10 Goodman, Max 3.00 1,995.00 030 20340054
PARTICIPATE IN CONFERENCE CALL WITH WGM TEAM AND LATHAM & WATKINS
RE: OBJECTION TO ADVANTA BANK CORP.'S TAX MOTION (1.5);.....

04/29/10 Vron, Victoria 2.30 1,449.00 030 20362587
PARTICIPATE IN CALL WITH LATHAM & WATKINS AND WEIL TEAM RE: OBJECTION
TO ABC'S TAX MOTION (1.0); PREPARE FOR SAME (.3);.....

04/29/10 Hoehne, Debora 5.50 2,832.50 030 20361323
PARTICIPATE IN CALL RE: OBJECTION TO ABC'S TAX MOTION (1.0) ;.....

c. We noted that on May 21, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Haskell Murray (\$550), Robert Lemons (\$780), Max Goodman (\$665), Victoria Vron (\$630), and David Griffiths (\$515) attended a telephonic meeting. The total time spent was 17.80 hours, for total fees of \$12,481.50.

05/21/10	Levine, Richard	2.00	1,770.00	CLIENT/COMMITTEE STRATEGY CALL (.6);.....; CALL WITH ROGER SCHWARTZ, R. LEMONS AND THEN CALL WITH FDIC'S COUNSEL (.8);.....
05/21/10	Goldring, Stuart	2.30	2,277.00	MEETING WITH B. ROSOFF, P. BROWNE AND J. DUBOW OF ADVANTA AND WGM TEAM RE: FDIC STAY MOTION (1.0); PARTICIPATE IN CREDITORS COMMITTEE MEETING WITH DEBTORS RE: SAME (1.3).
05/21/10	Murray, Haskell	1.90	1,045.00	PREPARE FOR CALL RE: FDIC'S TAX MOTIONS (.4); CORRESPOND RE: SAME (.2); CALL RE: SAME WITH WGM TEAM AND CLIENT (1.0);.....
05/21/10	Lemons, Robert	3.50	2,730.00	MEET WITH W. ROSOFF, J. DUBOW, P. BROWNE, T. GALLAGHER, J. BONDI, A. SAGAT AND WGM TEAM RE: FDIC TAX RETURN MOTIONS (1.8); CALL WITH R. SCHWARTZ, P. HEATH AND WGM TEAM RE: SAME AND FOLLOW UP CALLS AND EMAILS WITH FDIC COUNSEL, R. SCHWARTZ, R. LEVINE AND P. HEATH RE: SAME (1.7).
05/21/10	Goodman, Max	3.50	2,327.50	MEET WITH WGM TEAM, T. GALLAGHER, J. BONDI, A. SAGOT, DELAWARE COUNSEL, W. ROSOFF, P. BROWNE, J. DUBOW, FTI, LATHAM & WATKINS, AND CREDITORS COMMITTEE RE: CASE STATUS.

05/21/10	Vron, Victoria	1.70	1,071.00	MEET WITH CLIENT, ALVAREZ & MARSAL AND WGM TEAM RE: STRATEGY WITH RESPECT TO FDIC'S AUTO STAY MOTION (1.4); CALL WITH SAME GROUP TO FDIC'S COUNSEL RE: SAME (.3).
05/21/10	Griffiths, David	3.80	1,957.00	PRE - COMMITTEE CALL RE: AUTOMATIC STAY TAX OBJECTION (.8); ATTEND TEAM MEETING RE: SAME (1.0); OBJECTION CONFERENCE CALL WITH COMMITTEE AND RICHARDS, LAYTON & FINGER (2.0).

d. We noted that on June 14, 2010, attorneys Richard Levine (\$885), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended a meeting with counsel for the FDIC. The total time spent, including preparation, was 16.80 hours, for total fees of \$12,161.50. We noted that on June 16, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended another meeting with counsel for the FDIC. The total time spent for this meeting, including preparation, was 20.30 hours, for total fees of \$15,704.50.

06/14/10	Levine, Richard	3.30	2,920.50; CALL WITH CLIENT RE: STRATEGY FOR MEETING WITH FDIC'S COUNSEL (.5); MEET AT MCDERMOTT, WILL & EMERY RE: POTENTIAL FDIC SETTLEMENT PARAMETERS (2.2).
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06/14/10	Lemons, Robert	6.20	4,836.00; CALL WITH W. ROSOFF, J. DUBOW AND WGM TEAM RE: NEGOTIATION WITH ABC RE: TAX CLAIMS (.9); PREPARE FOR AND ATTEND MEETINGS WITH ABC'S COUNSEL AND LATHAM RE: SAME (4.0);.....
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06/14/10	Goodman, Max	5.40	3,591.00	PARTICIPATE IN CONFERENCE CALL WITH WGM TEAM RE: FDIC SETTLEMENT (1.0); MEET WITH WGM TEAM, A. SAGOT, LATHAM & WATKINS, FTI, AND MCDERMOTT RE:
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FDIC SETTLEMENT (3.4);.....

06/14/10 Vron, Victoria 4.80 3,024.00
CALL WITH ADVANTA AND WGM TEAM IN PREPARATION OF SETTLEMENT DISCUSSIONS WITH FDIC'S COUNSEL RE: TAX LITIGATION (1.1); MEET WITH WEIL TEAM, ALVAREZ & MARSAL, COMMITTEE'S PROFESSIONALS AND FDIC'S COUNSEL RE: TAX LITIGATION (3.7).

06/16/10 Levine, Richard 4.60 4,071.00
.....; MEET WITH UCC, PROFESSIONALS, J. DUBOW FOLLOWED BY MEETING WITH FDIC (4.2).

06/16/10 Goldring, Stuart 3.90 3,861.00
ATTEND PRE-MEETING WITH COMMITTEE RE: FDIC NEGOTIATIONS (1.0); MEET WITH FDIC RE: SAME (1.8); FOLLOW-UP WITH COMMITTEE (.7);.....

06/16/10 Lemons, Robert 3.00 2,340.00
.....; MEET WITH W. ROSOFF, J. DUBOW, LATHAM, FTI, ALVAREZ & MARSAL, WGM TEAM RE: SAME (1.0); MEET WITH FDIC RE: SAME (1.3); FOLLOW UP MEETING WITH P. BROWNE, J. DUBOW, LATHAM, FTI, ALVAREZ & MARSAL, WGM TEAM (.5).

06/16/10 Goodman, Max 5.70 3,790.50
MEET WITH WGM TEAM, J. DUBOW, W. ROSOFF, P. BROWNE, A. SAGOT, FTI, LATHAM & WATKINS, D. EARLY, AND MCDERMOTT RE: FDIC SETTLEMENT (4.6); DISCUSS TAX SLIDES WITH S. GOLDRING AND J. POHL (.1);.....

06/16/10 Vron, Victoria 5.10 3,213.00
MEET WITH WGM TEAM, ALVAREZ & MARSAL, J. DUBOW AND COMMITTEE'S PROFESSIONALS IN PREPARATION FOR MEETING WITH FDIC RE: TAX LITIGATION (1.5); MEET WITH FDIC RE: TAX LITIGATION (1.7); FOLLOW-UP WITH COMMITTEE'S PROFESSIONAL RE: MEETING (1.2); PREPARE FOR MEETINGS WITH COMMITTEE'S PROFESSIONALS AND FDIC (.7).

e. We noted that on July 14, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Scott Litvinoff (\$455), Haskell Murray (\$550), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended a conference with a possible expert witness. The total

time spent was 9.40 hours, for total fees of \$6,628.00.

07/14/10 Levine, Richard 3.60 3,186.00
.....; ATTEND CONFERENCE WITH WGM, ADVANTA, EXPERT RE: EXPERT ANALYSIS (1.7);.....

07/14/10 Goldring, Stuart 2.90 2,871.00
CONFER WITH POSSIBLE EXPERT, R. LEVINE, J. BUBOW, P. BROWNE AND OTHERS RE: TAX ACCOUNTING (1.6);.....

07/14/10 Litvinoff, Scott 11.00 5,005.00
.....; CONFERENCE (PARTIAL) WITH EXPERT, R. LEVINE, J. DUBOW, P. BROWNE, S. GOLDRING (1.5);.....

07/14/10 Murray, Haskell 11.10 6,105.00
CONFER WITH EXPERT, S. LITVINOFF (PARTIAL), V. VRON (PARTIAL), R. LEVINE, J. DUBOW, AND P. BROWNE RE: EXPERT REPORT (1.8);.....

07/14/10 Lemons, Robert 0.50 390.00
CONFER WITH EXPERT, S. GOLDRING, R. LEVINE, P. BROWNE, AND J. DUBOW RE: TAX LITIGATION (.5).

07/14/10 Goodman, Max 1.90 1,263.50
CONFERENCE WITH EXPERT, R. LEVINE, S. GOLDRING AND P. BROWNE RE: GAAP (PARTIAL ATTENDANCE) (.8);.....

07/14/10 Vron, Victoria 3.00 1,890.00
CONFER WITH EXPERT WITNESS, CLIENT AND WGM TEAM RE: FDIC TAX LITIGATION MATTERS (1.5);.....

f. We noted that on July 26, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Christopher Cox (\$845), Marcie Kaufman (\$595), Scott Litvinoff (\$455), and Max Goodman (\$665) attended a conference with a possible expert. The total time spent was 25.70 hours, for total fees of \$18,793.00.

07/26/10 Levine, Richard 6.40 5,664.00
.....; ATTEND MEETING WITH N. STRAUSS RE: EXPERT ANALYSIS (2.8);.....

07/26/10 Goldring, Stuart 5.10 5,049.00
.....; MEETING WITH POSSIBLE EXPERT (TOGETHER WITH C. HOWE, R. LEVINE,
M. GOODMAN, M. KAUFMAN AND OTHERS) RE: TAX ACCOUNTING (3.7).

07/26/10 Cox, Christopher 9.90 8,365.50
PREPARE FOR CONFERENCES BETWEEN AND AMONG EXPERT, R. LEVINE, S.
GOLDRING, M. KAUFMAN, M. GOODMAN, S. LITVINOFF RE: EXPERT REPORTS,
DISCOVERY (6.2);.....

07/26/10 Kaufman, Marcie 9.00 5,355.00
MEET WITH EXPERT, C. COX, R. LEVINE, S. LITVINOFF AND WGM TAX TEAM RE:
REVISIONS TO EXPERT REPORT (3.8);.....

07/26/10 Litvinoff, Scott 9.10 4,140.50
.....; MEET WITH N. STRAUSS, R. LEVINE (PARTIAL), M. KAUFMAN (PARTIAL), S.
GOLDRING (PARTIAL), M. GOODMAN, C. COX AND MEETING WITH M. GOODMAN AND
C. COX AFTERWARDS (4.6);.....

07/26/10 Goodman, Max 5.60 3,724.00
.....; MEET WITH S. GOLDRING, R. LEVINE, C. COX, M. KAUFMAN, S. LITVINOFF,
AND EXPERT RE: EXPERT REPORT (4.6);.....

RESPONSE EXHIBIT “1”

The Second Interim Period was a crucial and very busy period in the Debtors’ chapter 11 cases. The hearings referenced on *Exhibit A* related to the (i) Debtors’ postpetition severance plan and (ii) litigation with the Federal Deposit Insurance Corporation (the “*FDIC*”), as receiver for Advanta Bank Corp. (“*ABC*”), the Debtors’ wholly owned bank subsidiary. The resolution of these issues was very important to the Debtors’ estates.

The litigation with the FDIC regarding the tax issues (the “*FDIC Litigation*”) was a pivotal issue in the Debtors’ chapter 11 cases because if unresolved, it had the potential of significantly reducing, or even eliminating, the recovery of the Debtors’ other creditors. Moreover, the FDIC Litigation involved the intersection of bankruptcy and tax law issues that were novel and extraordinarily complex.

Implementation of the Debtors’ postpetition severance plan was also critical to preserving the value of the Debtors’ estates by ensuring that the Debtors’ at-will employees would remain to complete the Debtors’ liquidation. Weil helped the Debtors obtain approval of the plan at an evidentiary hearing over the objection of the Office of the United States Trustee for the District of Delaware (the “*U.S. Trustee*”).

The hearings identified in *Exhibit A* to the Initial Report are specifically addressed below:

a. Exhibit A (¶ a): “We note that on May 10, 2010, attorneys Bruce Meyer (\$885), Robert Lemons (\$780), and Debora Hoehne (\$515) attended a hearing. The total time spent, including travel, was 32 hours for total fees of \$18,875.50.”

Each Weil attorney who attended this hearing played a different and distinct role during the hearing. This was a contested hearing regarding (i) the Debtors’ Motion for Authority to Implement

Postpetition Severance Plan and Other Related Relief [Docket No. 346] filed on March 19, 2010 (the “*Postpetition Severance Plan Motion*”) and (ii) various other bankruptcy issues. Bruce Meyers is a partner in Weil’s litigation department (the “*Litigation Department*”). Robert Lemons is a partner in Weil’s Business Financial & Restructuring Department (“*BFR*”) and Debora Hoehne is a fourth year associate in BFR. The May 10, 2010 hearing on the Postpetition Severance Plan Motion was an evidentiary hearing because the U.S. Trustee objected to the motion. Mr. Meyers, Mr. Lemons, and Ms. Hoehne were all involved in preparing for this contested matter and were the attorneys most knowledgeable about different aspects of the Postpetition Severance Plan Motion. In addition, Mr. Meyers was necessary at the hearing for witness examination. Mr. Lemons also argued the remaining bankruptcy issues that were scheduled for the May 10, 2010 hearing. The attendance of each Weil attorney at the hearing conducted on May 10, 2010 was appropriate and necessary and, therefore, the fees for this hearing should be allowed in the full amount of \$18,875.50.

b. Exhibit A (¶ b): “We note that on June 8, 2010 attorneys Richard Levine (\$885), Robert Lemons (\$780), and Stuart Goldring (\$990) attended a hearing. The total time spent, including non-working travel, was 15.70 hours, for total fees of \$12,543.00.”

Richard Levine is a partner in the Litigation Group, Stuart Goldring is a partner in Weil’s tax department (the “*Tax Department*”), and, as noted above, Robert Lemons is a partner in BFR. Attendance of attorneys from Weil’s Tax Department, Litigation Department and BFR was necessary at the June 8, 2010 hearing because this hearing involved the FDIC Litigation and various tax disputes between the FDIC and the Debtors. Specifically, the hearing involved the scheduling of the FDIC Litigation, and attorneys with litigation, tax, and bankruptcy knowledge were necessary to attend this hearing to weigh in on scheduling issues because of the tax, bankruptcy, and

evidentiary issues involved in the FDIC Litigation. Therefore, the fees for this hearing should be allowed in the full amount of \$12,543.00.

c. Exhibit A (¶ c): “We note that on June 9, 2010, attorneys Robert Lemons (\$780), Victoria Vron (\$630), David Griffiths (\$515), and Debora Hoehne (\$515) attended a telephonic hearing. The total time spent was 3.40 hours for \$2,269.00 in fees.”

During the telephonic hearing conducted on June 9, 2010, Judge Carey read his decision regarding the Postpetition Severance Plan Motion into the court’s record. Both Mr. Lemons (partner, BFR) and Ms. Hoehne (mid-level associate, BFR) prepared the Postpetition Severance Plan Motion and their presence was necessary on the telephonic hearing in order to determine the implications of Judge Carey’s decision and to answer any questions that Judge Carey might ask. Weil agrees to reduce its fees by \$790.00, representing the fees of Victoria Vron and David Griffiths in attending this telephonic hearing. Accordingly, the fees for this hearing should be allowed in the amount of \$1,479.00.

RESPONSE EXHIBIT “2”

During the Second Interim Period, it was appropriate to have multiple Weil attorneys attend meetings amongst themselves or with the Debtors’ and/or the Debtors’ professionals to discuss issues central to the Debtors’ chapter 11 cases. The meetings noted in *Exhibit B* were related to issues that arose in connection with the FDIC Litigation. More specifically, (i) whether or not the Debtors should make certain tax elections in their 2008 and 2009 tax returns, (ii) preparation of objections and other pleadings in connection with the FDIC Litigation, and (iii) preparation of key witnesses and experts who would be called as witnesses during the FDIC Litigation and preparing these individuals for depositions related to the same. Accordingly, the Debtors, the creditors’ committee (the “*Committee*”), and their professionals had meetings internally and with each other to analyze and strategize with respect to the making of these tax elections and preparation for the FDIC Litigation. Consideration of the elections and their consequences involved extensive analysis of the intersection between tax, bankruptcy and FDIC receivership law and potential litigation consequences of the elections. Moreover, the Debtors, the Committee, and the Debtors’ professionals were involved in negotiating the settlement of the FDIC Litigation with the FDIC during the Second Interim Period. These negotiations required meetings between all parties in order to determine the terms of the settlement. Each Weil attorney who attended a meeting or conference call played a distinct role and their services were not duplicated. The meetings and conference calls identified in *Exhibit B* to the Initial Report are specifically addressed below:

a. Exhibit B (¶a): “We note that on April 9, 2010, attorneys Paul Asofsky (\$925), Richard Levine (\$885), Stuart Goldring (\$990), Joshua Pohl (\$55), Haskell Murray (\$550), Robert Lemons (\$780), Max Goodman (\$665), Victoria Vron (\$630), and Debora Hoehne (\$515) participated in a conference call. The total time spent was 13.30 hours, for total fees of \$9,856.00.”

Attendance of multiple Weil attorneys was necessary on the internal conference call

conducted on April 9, 2010 and the subsequent conference call with Latham & Watkins, attorneys for the Committee (“*Latham & Watkins*”). These conference calls were conducted in order to establish a strategy on how to approach the Emergency Motion of Advanta Bank Corp. for Entry of an Order Compelling Debtor Advanta Corp. (I) Timely File a Request for an Extension of Time to File 2009 Consolidated Federal Income Tax Return; or, in the Alternative (II) Elect to Carry Bank 2009 Consolidated Net Operating Losses Five Years [Docket No. 323] filed on March 12, 2010 (the “*Tax Election Motion*”). As previously mentioned, decisions regarding the Debtors’ tax issues were unusually complex and would have a significant impact on creditor recoveries in these chapter 11 cases. The Debtors conducted the April 9, 2010 conference call to develop a strategy to respond to the Tax Election Motion and gather information relevant to the Debtors’ objection to the Tax Election Motion (the “*Objection*”). The Debtors’ professionals required advice on the intersection of various aspects of tax law and bankruptcy law. Therefore, the conference calls were attended by senior counsel from the Tax Department, Mr. Asofsky, a partner from the Litigation Group, Mr. Levine, a partner from the Tax Department, Mr. Goldring, a BFR partner, Mr. Lemons, two associates from the Tax Department, Mr. Goodman and Mr. Pohl, two BFR associates, Ms. Hoehne and Ms. Vron, and an associate from the Litigation Department, Haskell Murray. Ms. Hoehne and Ms. Vron were responsible for drafting the Objection, which required their presence on the conference calls. Mr. Goodman and Mr. Pohl assisted Ms. Hoehne and Ms. Vron in drafting the tax aspects of the Objection. Mr. Asofsky and Mr. Goldring were both on the calls because they each have expertise on different aspects of tax law which were involved in the litigation. Mr. Asofsky has extensive experience in tax litigation and Mr. Goldring was the Weil tax partner who oversaw the tax elections in question. Although Weil believes that each of these attorneys was necessary at

the meeting, Weil agrees to reduce its fees by \$1,265.00, representing the fees of Mr. Pohl and Mr. Murray in attending these calls. Therefore, the fees for these conference calls should be allowed in the amount of \$8,591.00.

b. Exhibit B (¶b): “We note that on April 29, 2010, attorneys Paul Asofsky (\$925), Richard Levine (\$885), Robert Lemons (\$780), Stuart Goldring (\$990), Joshua Pohl (\$550), Max Goodman (\$665), Victoria Vron (\$630), and Debora Hoehne (\$515) participated in a conference call. The total time spent was 13.30 hours, for total fees of \$7,577.50.”

The conference call on April 29, 2010 was an internal call held to discuss the draft objection to the Tax Election Motion. The presence of Mr. Asofsky (senior counsel, Tax Department), Mr. Goldring (partner, Tax Department), and Mr. Goodman (senior associate, Tax Department) was necessary on this call because along with pointing out the implications of the Tax Election Motion if the relief requested therein were granted by the Bankruptcy Court, these attorneys also provided tax comments on the Objection. Because Mr. Levine (partner, Litigation Department) argued the Objection at the Debtors’ hearing on the Tax Election Motion, his presence on this conference call was necessary because he needed to understand all of the issues surrounding the Tax Election Motion. Ms. Vron (senior associate, BFR) and Ms. Hoehne (mid-level associate, BFR) attended the conference call because they were involved in preparing the Objection, and Mr. Lemons (partner, BFR) attended the conference call in order to give his input on bankruptcy issues that were implicated by the Objection. Weil agrees to reduce its fees by \$770.00, representing the fees of Mr. Pohl in attending this call. Therefore, the fees for this conference call should be allowed in the amount of \$6,807.50.

c. Exhibit B (¶c): “We note that on May 21, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Haskell Murray (\$550), Robert Lemons

(\$780), Max Goodman (\$665), Victoria Vron (\$630), and David Griffiths (\$515) attended a telephonic meeting. The total time spent was 17.80 hours, for total fees of \$12,481.50.”

The telephonic meeting held on May 21, 2010 was conducted to discuss the strategy for the pending FDIC Litigation and the need for subsequent pleadings. The FDIC Litigation involved ABC’s claim of over \$170 million. Development of the Debtors’ strategy in the FDIC Litigation required knowledge of bankruptcy and tax law. It was therefore necessary for Mr. Goldring (partner, Tax Department), Mr. Lemons (partner, BFR), and Mr. Griffiths (mid-level associate, BFR) to attend this meeting. It was also necessary for Mr. Levine (partner, Litigation Department) and Mr. Murray (mid-level associate, Litigation Department) to attend this meeting because they were the attorneys preparing to argue the Objection in the FDIC Litigation and handle any attendant evidentiary issues, including fact and expert witnesses.² Weil agrees to reduce its fees by \$1,071.00, representing the fees of Ms. Vron in attending this meeting. Therefore, the fees for this meeting should be allowed in the amount of \$11,410.50.

d. Exhibit B ¶d: “We note that on June 14, 2010, attorneys Richard Levine (\$885), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended a meeting with counsel for the FDIC. The total time spent, including preparation, was 16.80 hours, for total fees of \$12,161.50. We note that on June 16, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended another meeting with counsel for the FDIC. The total time spent for this meeting, including preparation, was 20.30 hours, for total fees of \$15,704.50.”

The meetings held on June 14, 2010 and June 16, 2010 involved active settlement

²Weil Gotshal subsequently advised us that “Max Goodman (a senior associate) was necessary to the conference call because he, along with Stuart Goldring (the other tax attorney on the call), aided in developing the tax strategy in response to the FDIC’s motion and in preparing the tax portion of the Debtors’ reply to the FDIC’s motion.”

negotiations with the FDIC regarding ABC's \$170 million claim. The outcome of these negotiations could have seriously impacted the distribution to the Debtors' creditors and, therefore, was very important. The attendance of Mr. Goldring (partner, Tax Department), Mr. Goodman (senior associate, Tax Department), Mr. Lemons (partner, BFR), and Ms. Vron (senior associate, BFR) at these meetings was necessary because each attorney was required to analyze the tax and bankruptcy implications of the various settlement proposals. Mr. Levine (partner, Litigation Department) attended the negotiations because he was the lead Weil litigator on this matter and was expected to argue on the Debtors' behalf in the FDIC Litigation. The attendance of each Weil attorney at the settlement negotiations conducted on June 14, 2010 and June 16, 2010 was appropriate and necessary and, therefore, the fees for these meetings should be allowed in the full amount of \$15,704.50.

e. Exhibit B (f): "We note that on July 14, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Scott Litvinoff (\$455), Haskell Murray (\$550), Robert Lemons (\$780), Max Goodman (\$665), and Victoria Vron (\$630) attended a conference with a possible expert witness. The total time spent was 9.40 hours, for total fees of \$6,628.00."

The conference held on July 14, 2010 was a deposition preparation session for an expert witness for the Debtors in connection with the FDIC Litigation. It was necessary for an attorney from BFR and the Tax Department to be present during the preparation of the witness because the witness was specifically testifying about key tax issues in the Debtors' chapter 11 cases. As noted in the applicable time entries, Mr. Lemons (partner, BFR) only attended a portion of this deposition preparation session. During his absence, Ms. Vron attended the remaining portion of the session so that a bankruptcy attorney was present to discuss bankruptcy issues and questions as they arose. Similarly, Mr. Goldring (partner, Tax Department) only partially attended this deposition

preparation session. During his absence, Mr. Goodman attended the remaining portion of this session in order to discuss any tax issues and questions that arose. It was also necessary for Mr. Murray (mid-level associate, Litigation Department) and Scott Litvinoff (associate, Litigation Department) to attend the deposition preparation session because they were part of the litigation team conducting the FDIC Litigation on behalf of the Debtors and were responsible for working with this witness. Mr. Levine (partner, Litigation Department), the chief Weil litigator on this matter, attended only a portion of the deposition preparation session in order to answer questions the expert witness had and address general litigation strategy issues that arose during the session. The attendance of each Weil attorney at the conference conducted on July 14, 2010 was appropriate and necessary and, therefore, the fees for this conference should be allowed in the full amount of \$6,628.00.

f. Exhibit B (ff): We note that on July 26, 2010, attorneys Richard Levine (\$885), Stuart Goldring (\$990), Christopher Cox (\$845), Marcie Kaufman (\$595), Scott Litvinoff (\$455), and Max Goodman (\$665) attended a conference with a possible expert witness. The total time spent was 25.70 hours, for total fees of \$18,793.00.

The conference on July 26, 2010 was held to prepare another of the Debtors' expert witnesses for a deposition in connection with the FDIC Litigation. Mr. Goodman (senior associate, Tax Department) and Mr. Goldring (partner, Tax Department) attended different portions of the deposition preparation session. A tax attorney's presence was necessary at the deposition preparation session because the expert's testimony was concerning a tax report. Mr. Cox (partner, Litigation Department) was necessary at the deposition preparation session because he was in charge of preparing the expert witness and defended his deposition. It was also necessary for Scott

Litvinoff (associate, Litigation Department) to attend the deposition preparation session because he was assisting Mr. Cox in preparing the expert witness. Mr. Levine (partner, Litigation Department), the chief Weil litigator, and Ms. Kaufman (senior associate, Litigation Department) attended only a portion of the deposition preparation session in order to answer questions the expert witness had and address general litigation strategy issues that they were working on that arose during the session. The attendance of each Weil attorney at the conference conducted on July 26, 2010 was appropriate and necessary and, therefore, the fees for this conference should be allowed in the full amount of \$18,793.00.