UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re	:	Chapter 11
ADVANTA CORP., *et al.*,	:	Case No. 09-13931 (KJC)
Debtors.	:	(Jointly Administered)
	:	**Re: Docket No. 1151**

DECLARATION OF WILLIAM A. ROSOFF IN SUPPORT OF CONFIRMATION OF THE DEBTORS' JOINT PLAN UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, DATED NOVEMBER 2, 2010, AS MODIFIED

I, William A. Rosoff, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. I am President and Vice Chairman of the Board of Advanta Corp. ("***Advanta***"), a Delaware corporation, and the parent company of the above-captioned debtors and debtors in possession (collectively, the "***Debtors***").[1] Prior to joining Advanta in 1996 as Vice Chairman of the Board (later being named President in 1999), I was a partner of the law firm of Wolf, Block, Schorr and Solis-Cohen LLP and advised Advanta and certain of the Debtors and/or their non-debtor subsidiaries for over 20 years. In my capacity as President of Advanta, I am familiar with the day-to-day operations, businesses, and financial affairs of the Debtors. In addition, I have been involved in the liquidation of the Debtors' assets and the process of formulating the Plan (as defined below).

[1] The Debtors in these jointly administered chapter 11 cases are Advanta, Advanta Investment Corp., Advanta Business Services Holding Corp., Advanta Business Services Corp., Advanta Shared Services Corp. ("***ASSC***"), Advanta Service Corp. ("***ASC***"), Advanta Advertising Inc., Advantennis Corp., Advanta Mortgage Holding Company, Advanta Auto Finance Corporation ("***Advanta Auto Finance***"), Advanta Mortgage Corp. USA ("***AMCUSA***"), Advanta Finance Corp. ("***Advanta Finance***"), Advanta Ventures Inc., BE Corp., ideablob Corp., Advanta Credit Card Receivables Corp. ("***ACCRC***"), Great Expectations International Inc., Great Expectations Franchise Corp., and Great Expectations Management Corp.

2. I submit this declaration in support of confirmation of the Debtors' Joint Plan Under Chapter 11 of the Bankruptcy Code, dated November 2, 2010 (as modified December 17, 2010, and as further modified, the "***Plan***").[2] I have reviewed and am familiar with the terms and provisions of the Plan and the disclosure statement relating to the Plan (the "***Disclosure Statement***"). I am familiar with the documents comprising the Plan Supplement. Together with the Debtors' legal advisors, I have reviewed the requirements for confirmation of the Plan under section 1129 of title 11 of the United States Code (the "***Bankruptcy Code***"). If called upon, I would testify competently to the facts set forth in this declaration. Unless otherwise stated, I have personal knowledge of the facts stated in this declaration.

3. Except as otherwise indicated, all facts set forth in this declaration are based upon my personal knowledge, my review of relevant documents or my opinion based upon my experience, knowledge, and information concerning the Debtors' operations, and upon information supplied to me by the Debtors' professionals and consultants.

4. Based upon my personal involvement in the plan process in these chapter 11 cases (the "***Chapter 11 Cases***") and discussions with the Debtors' advisors, I believe that the Plan complies with the applicable provisions of the Bankruptcy Code, that the Plan was proposed in good faith, and that the Debtors, acting through their officers, directors, and professionals, have conducted themselves in a manner that complies with applicable law in relation to the formulation and negotiation of, and the solicitation of votes with respect to, the Plan.

A. The Plan Satisfies Section 1129 of the Bankruptcy Code

5. I believe that the Plan fully complies with the applicable provisions of section 1129 of the Bankruptcy Code, as such provisions have been explained to me by the

[2] Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Plan.

Debtors' legal advisors, based on (i) my understanding of the Plan, (ii) the events that have occurred throughout these Chapter 11 Cases, and (iii) discussions I have had with the Debtors' legal advisors regarding various orders entered by the Bankruptcy Court during the Chapter 11 Cases and the requirements of the Bankruptcy Code.

6. Plan Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(1)). On the basis of my understanding of the Bankruptcy Code, and after consultation with the Debtors' legal counsel, it is my understanding that the Plan complies with section 1129(a)(1) of the Bankruptcy Code as follows:

- Section 1121 of the Bankruptcy Code. The Debtors are proper debtors under section 109 of the Bankruptcy Code, as such provision has been explained to me by the Debtors' legal advisors.

- Section 1122. The Plan designates the classification of claims and equity interests. Such classification complies with section 1122(a) of the Bankruptcy Code because each class contains only claims or equity interests that are substantially similar to each other. The Plan designates the following 26 classes of Claims and seven classes of Equity Interests:

    (i) Classes 1(a)-(f) (Other Priority Claims against the Consolidated Debtors, Advantennis, AMCUSA, Advanta Auto Finance, ASSC, and Advanta Finance, respectively),

    (ii) Classes 2(a)-(f) (Secured Claims against the Consolidated Debtors, Advantennis, AMCUSA, Advanta Auto Finance, ASSC, and Advanta Finance, respectively),

    (iii) Class 3 (Investment Note Claims and RediReserve Certificate Claims against Advanta),

    (iv) Classes 4(a)-(f) (General Unsecured Claims against the Consolidated Debtors, Advantennis, AMCUSA, Advanta Auto Finance, ASSC, Advanta Finance, respectively),

    (v) Class 5 (Subordinated Note Claims against Advanta),

    (vi) Classes 6(a)-(f) (Subordinated Claims against the Consolidated Debtors, Advantennis, AMCUSA, Advanta Auto Finance, ASSC, and Advanta Finance, respectively),

    (vii) Classes 7(a)-(c) (Equity Interests in the Consolidated Debtors (other than ASC), Advantennis, and ASSC, respectively), and

(viii) Classes 7(d)-(f) (Equity Interests in AMCUSA, Advanta Auto Finance, and Advanta Finance, respectively), and

(ix) Class 7(g) (Equity Interests in ASC).

- Section 1123(a)(1). Article III of the Plan designates classes of Claims, other than claims of the type described in sections 507(a)(2), 507(a)(3) and 507(a)(8) of the Bankruptcy Code.

- Section 1123(a)(2). Article III of the Plan identifies Classes 1(a)-(f), 2(a)-(f), and 7(g) as not impaired under the Plan.

- Section 1123(a)(3). The Plan sets forth the treatment of impaired Claims and Equity Interests. Articles III and IV of the Plan designate Classes 3, 4(a)-(f), 5, 6(a)-(f), and 7(a)(f) as impaired. Sections 4.3 – 4.12 of the Plan specify the treatment of such impaired classes.

- Section 1123(a)(4). Article IV of the Plan provides that the treatment of each Claim or Equity Interest in each particular class is the same as the treatment of each other Claim or Equity Interest in such class.

- Section 1123(a)(5). Article V of the Plan provides for adequate means for implementation of the Plan, including the substantive consolidation of the Consolidated Debtors for Plan purposes only. The Plan and the various documents and agreements set forth in the Plan Supplement, including, without limitation, the Trust Agreements and schedules of executory contracts and unexpired leases to be assumed, provide adequate and proper means for the implementation of the Plan.

- Section 1123(a)(6). Section 1123(a)(6) of the Bankruptcy Code prohibits the issuance of nonvoting equity securities by a reorganized debtor. The Plan does not provide for the issuance of nonvoting equity securities. In addition, as provided for in the Plan Supplement, the revised charter and by-laws for Reorganized Advanta and ASC prohibit the issuance of nonvoting equity securities to the extent prohibited by section 1123(a)(6) of the Bankruptcy Code.

- Section 1123(a)(7). Section 1123(a)(7) of the Bankruptcy Code concerns the selection of the directors, officers and trustees of a debtor. Pursuant to the Plan, the Debtor entities other than Advanta and ASC will be liquidated. As such, no officers or directors will be selected with respect to any of the Debtors, other than Reorganized Advanta and ASC. The identities and affiliations of the persons proposed to serve as the initial director and initial officer of Reorganized Advanta and ASC after the Effective Date of the Plan are disclosed in the Plan Supplement. In addition, the Plan provides for the creation of seven Trusts, each governed by their respective trustee, which may be the same for any or all of the Trusts. The selection of the trustees for all the Trusts was made in consultation with the Creditors' Committee. FTI Consulting, Inc. ("***FTI***") has been selected as the Advanta Trustee for the Advanta Trust and as the Liquidating Trustee for each of the six Liquidating

Trusts, and Wilmington Trust Company has been selected as the Delaware Trustee for all seven Trusts. The Trusts will each be overseen by their respective Trust Advisory Board (the "***TAB***"). Each TAB was designated by the Debtors with the consent of the Creditors' Committee, and are identified in Exhibit "A" to each applicable Trust Agreement included in the Plan Supplement. As such, I understand that section 1123(a)(7) is satisfied.

- Section 1123(b)(1). Claims in Class 3, Classes 4(a)-(f), Class 5, Classes 6(a)-(f), and interests in Classes 7(a)-(f) are impaired by the Plan. Claims in Classes 1(a)-(f), Classes 2(a)-(f), and Class 7(g) are not impaired by the Plan. Accordingly, after consultation with the Debtors' legal advisors, I understand that the Plan is consistent with section 1123(b)(1) of the Bankruptcy Code.

- Section 1123(b)(2). Section 8.1 of the Plan describes the proposed assumption or rejection of executory contracts and provides that, with certain exceptions, all executory contracts and unexpired leases that exist between the Debtors and any person or entity shall be deemed rejected by the Debtors as of the Effective Date. Accordingly, after consultation with the Debtors' legal advisors, I understand the Plan to be consistent with section 1123(b)(2) of the Bankruptcy Code.

- Section 1123(b)(3)(A). The Plan does not settle or adjust any claim or interest that belongs to the Debtors or their Estates. Therefore, I understand that section 1123(b)(3)(A) does not apply.

- Section 1123(b)(3)(B). Section 10.6 provides for the retention of certain Causes of Action belonging to the Debtors or the Estates. Accordingly, after consultation with the Debtors' legal advisors, I understand the Plan to be consistent with section 1123(b)(3)(B) of the Bankruptcy Code.

- Section 1123(b)(4). Although the Plan does not provide for any sale (and, therefore, section 1123(b)(4) is inapplicable), the Plan does transfer substantially all remaining assets in the Debtors' estates other than the Reorganized Advanta Assets and ASC's Fleet Partnership Interest to the Liquidation Trusts for sale and liquidation. To the extent such disposition is considered a "sale," I understand, after consultation with the Debtors' legal advisors, the Plan to be consistent with section 1123(b)(4) of the Bankruptcy Code.

- Section 1123(b)(5). The Plan modifies the rights of holders of Claims in Classes 3, 4(a)-(f), 5, 6(a)-(f), and 7(a)-(f). The Plan also leaves unaffected the rights of holders of Claims in Classes 1(a)-(f), 2(a)-(f), and 7(g). Accordingly, the Plan is consistent with section 1123(b)(5) of the Bankruptcy Code.

- Section 1123(b)(6). Article XI of the Plan provides that the Bankruptcy Court will retain jurisdiction as to, among other things, all matters arising out of or related to these Chapter 11 Cases and the Plan, including, without limitation, the claims allowance and distribution process, and disputes concerning the Trusts. Accordingly, based on my consultations with the Debtors' legal advisors, the continuing

jurisdiction of the Bankruptcy Court is consistent with applicable law and permissible under section 1123(b)(6) of the Bankruptcy Code. In addition, the Plan contemplates substantive consolidation of the Chapter 11 Cases of the Consolidated Debtors for all purposes related to the Plan, including, without limitation, for purposes of voting, confirmation and distribution. The substantive consolidation contemplated in Section 5.2 of the Plan will only include the Consolidated Debtors and will not include Advantennis, AMCUSA, Advanta Auto Finance, ASSC, and Advanta Finance. No parties have objected to the substantive consolidation of the Consolidated Debtors. Accordingly, I believe substantive consolidation of the Consolidated Debtors satisfies applicable law and is appropriate based on the facts and circumstances of these Chapter 11 Cases. Finally, I believe that exculpation of the Debtors, the Trusts, the Trustees (solely in their capacity as such), the Delaware Trustee (solely in its capacity as such), the Creditors' Committee (solely in its capacity as such), the members of the TABs (solely in their capacity as such), and their respective officers, directors, employees, managing directors, accountants, financial advisors, investment bankers, agents, restructuring advisors, and attorneys, and each of their respective agents and representatives (but solely in their capacities as such) for any Exculpated Conduct, as set forth more fully in the Plan, is in the best interests of the Estates because exculpation is limited in scope to post-petition conduct and has been heavily negotiated with the Creditors' Committee.

- Section 1123(c). This section only applies in a case concerning an individual, and as such, this section of the Bankruptcy Code does not apply to these cases.

- Section 1123(d). Section 8.4 of the Plan provides the procedures to determine the cure amount for any contract assumed and assigned pursuant to the Plan. The cure amounts listed on Schedule 8.1 of the Plan were determined in accordance with the underlying agreements, the Bankruptcy Code, and applicable non-bankruptcy law. Accordingly, after consultation with the Debtors' legal advisors, I understand the Plan to be consistent with section 1123(d) of the Bankruptcy Code.

7. Debtors' Compliance with the Bankruptcy Code (11 U.S.C. § 1129(a)(2)).

On the basis of my understanding, I believe that the Debtors have complied with the applicable provisions of the Bankruptcy Code, including sections 1125 and 1126 of the Bankruptcy Code regarding disclosure and plan solicitation. The Debtors, with the assistance of their professionals, expended significant time and effort preparing the Disclosure Statement, and sought and received input and comments thereon from the Creditors' Committee. This Court approved the Disclosure Statement as containing adequate information and meeting the

requirements of section 1125 and 1126 of the Bankruptcy Code.[3] It is my further understanding, based upon the GCG Declaration, that the Debtors have properly solicited and tabulated votes with respect to the Plan. Accordingly, I believe the Debtors have complied with section 1129(a)(2) of the Bankruptcy Code.

- Section 1125. On February 8, 2011, the Debtors' voting and tabulation agent, the Garden City Group, Inc., filed the GCG Declaration, which addresses the manner in which votes were solicited in respect of the Plan. Specifically, the GCG Declaration states that (i) the Disclosure Statement (which includes as an exhibit a copy of the Plan), together with the additional solicitation materials approved by the Bankruptcy Court in the Disclosure Statement Order, was transmitted to each creditor and holder of an Equity Interest that was entitled to vote to accept or reject the Plan and (ii) certain non-voting materials approved by the Bankruptcy Court in the Disclosure Statement Order were provided to holders of Claims and Equity Interests that were not entitled to vote to accept or reject the Plan. The Debtors did not solicit acceptances of the Plan by any holder of Claims or Equity Interests prior to the transmission of the Disclosure Statement. In addition, the GCG Declaration describes the methodology for the tabulation and results of voting with respect to the Plan. Accordingly, based on consultations I have had with the Debtors' legal advisors, I understand that the Plan is consistent with the requirements of section 1125 of the Bankruptcy Code.

- Section 1126. As set forth in the Disclosure Statement, the GCG Declaration and above, the Debtors solicited acceptances of the Plan from the holders of all Claims against the Debtors and Equity Interests in the Debtors in each class of impaired Claims entitled to receive distributions under the Plan in accordance with section 1126. The impaired classes entitled to vote under the Plan are Classes 4(a)-(f), Class 5, Classes 6(a)-(f), and Classes 7(d)-(f). The Plan reflects that Classes 1(a)-(f), Classes 2(a)-(f), and Class 7(g) are unimpaired, and thus, are conclusively presumed to have accepted the Plan. The Plan also reflects that holders of Claims in 7(a)-(c) will not receive or retain any interest or property pursuant to the Plan and, therefore, Classes 7(a)-(c) are deemed to have rejected the Plan and are not entitled to vote thereon. Accordingly, after consultation with the Debtors' legal advisors, I believe the Plan is consistent with the requirements of section 1126 of the Bankruptcy Code.

- Section 1127. Contemporaneously herewith, the Debtors filed a modified Plan to address non-substantive adjustments and modifications to the prior iteration of the Plan. None of the modifications constitute material modifications as that term has

[3] *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 Proposed Plan*, dated December 17, 2010 [Dkt. No. 1042].

been explained to me by the Debtors' legal advisors. Indeed, the adjustments have no impact upon the economics of the Plan vis-à-vis any Class of Claims or Equity Interests. Because the Debtors made no material modifications and no party has argued to the contrary, I understand from the Debtors' legal advisors that re-solicitation is unnecessary and acceptances of the Plan are valid and binding.

- Section 1128. The Debtors have provided notice of the Confirmation Hearing of the Plan in accordance with the notice procedures previously approved by the Court in the Disclosure Statement Order.

8. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors, as plan proponents, have met their good faith obligation under the Bankruptcy Code. The Plan (including all documents necessary to effectuate the Plan) is the result of extensive arms' length negotiations among the Debtors, the Creditors' Committee, and their advisors. The Plan, in fact, has the support of the Creditors' Committee. The Plan is designed to enhance the value of the Debtors' estates and to distribute this value to the Debtors' creditors expeditiously and in accordance with the priorities and provisions of the Bankruptcy Code. The Plan and the Disclosure Statement reflect the culmination of those efforts and the substantial input of the Creditors' Committee. Additionally, I believe the overwhelming acceptance of the Plan by all but six Classes of creditors entitled to vote thereon demonstrates that the Plan achieves the goal of consensual negotiation embodied in the Bankruptcy Code.

9. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). I have been informed that, pursuant to the interim compensation procedures previously approved by this Court and established in these Chapter 11 Cases pursuant to section 330 of the Bankruptcy Code,[4] all payments made or to be made by the Debtors to their retained advisors for services or for costs and expenses in or in connection with these chapter 11 cases, or in

[4] *Order Implementing Certain Procedures for the Interim Compensation and Reimbursement of Professionals* [Docket No. 102].

connection with the Plan and incidental to these Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court.

10. Directors and Officers (11 U.S.C. § 1129(a)(5)). Section 1129(a)(5) of the Bankruptcy Code concerns the identity and affiliations of the directors and officers of a reorganized debtor. Other than Reorganized Advanta and ASC, the Debtors are liquidating, and, as such, will have no ongoing officers and directors. As detailed in the Plan Supplement, the board of directors of each of Reorganized Advanta and ASC will consist of one person, whose identity is disclosed in the Plan Supplement. In addition, the identity of the initial officer of Reorganized Advanta and ASC was disclosed in the Plan Supplement. Each director and officer will serve in accordance with the terms and subject to the conditions of the applicable charters and by-laws of Reorganized Advanta and ASC, and other relevant organizational documents, each as applicable. To the extent that it is applicable to this section, the appointment of FTI, as Trustee, and Wilmington Trust Company, as the Delaware Trustee, was made in conjunction with and with the support of the Creditors' Committee. Further, the members of each Trust's respective TAB were disclosed in the Plan Supplement.

11. No Rate Changes (11 U.S.C. § 1129(a)(6)). The Plan does not provide for any changes in any rates subject to regulatory approval. In addition, the Debtors have no ongoing business subject to any regulatory approval. Accordingly, this section is inapplicable to the Plan.

12. Acceptance by Impaired Classes (11 U.S.C. § 1129(a)(7)). I have been informed that the Bankruptcy Code requires that, with respect to each impaired Class of Claims and Equity Interests, each holder of such Claim must either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value

such holder would receive or retain if the Debtors were to be liquidated under chapter 7 of the Bankruptcy Code. For purposes of determining whether the Plan meets this requirement, the Debtors, in consultation with their restructuring advisors, have prepared an estimated liquidation analysis attached as Exhibit D to the Disclosure Statement (the "***Liquidation Analysis***"). As set forth in the Liquidation Analysis and the *Declaration of Joseph A. Bondi in Support of Confirmation of the Debtors' Joint Plan Under Chapter 11 of the Bankruptcy Code, Dated November 2, 2010, as Modified* (the "***Bondi Declaration***"), creditors will receive no less under the Plan than they would in a hypothetical chapter 7 liquidation. I, therefore, believe that the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

13. Specifically, section 1129(a)(7) is satisfied as to each holder of a Claim or Equity Interest in an unimpaired class of Claims, which includes Classes 1(a)-(f), 2(a)-(f) and 7(g), as they are deemed to have accepted the Plan. Section 1129(a)(7) is also satisfied as to each holder of a Claim in an impaired class of Claims or Equity Interests, which includes Classes 3, 4(a)-(f), 5, 6(a)-(f), and 7(a)-(f), because such holders would not receive or retain more if the Debtor were liquidated under chapter 7. The Liquidation Analysis demonstrates that the value that could be realized by the non-accepting holders of Claims and Equity Interests upon disposition of the Debtors' assets pursuant to a hypothetical chapter 7 liquidation would not be more than the value of the recoveries available to such holders under the Plan.

14. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)). As set forth in the GCG Declaration, each class of impaired claims has accepted the Plan except for Classes 6(a)-(f) and 7(a)-(c). I understand, therefore, that the Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to Classes 2(a)-(f), 3, 4(a)-(f), 5, and 7(d)-(f). With respect to Classes 6(a)-(f) and 7(a)-(c), it is my understanding that the Plan is confirmable because the Plan

satisfies section 1129(b)(2) of the Bankruptcy Code, to the extent applicable (as discussed more fully below).

15. Treatment of Administrative Expense, Priority Non-Tax, Priority Tax, and Secured Tax Claims (11 U.S.C. § 1129(a)(9)). Based upon my own understanding, as well as discussions with the Debtors' legal advisors, I believe that the treatment of Administrative Expense Claims, Priority Non-Tax Claims, and Priority Tax Claims pursuant to the Plan complies with the requirements of section 1129(a)(9) of the Bankruptcy Code.

16. With respect to Administrative Expense Claims, in accordance with section 1129(a)(9)(A) of the Bankruptcy Code, the Plan provides that each holder of an Allowed Administrative Expense Claim will receive payment in full in Cash of the unpaid portion of such Allowed Administrative Expense Claim (a) in the case of professional fees and expenses for other advisors, as soon as practicable after Bankruptcy Court approval thereof, or, in the case of professionals retained by the Debtors in the ordinary course of their businesses, if any, on such terms as are customary between the Debtors and such professionals, and (b) with respect to all other holders of Allowed Administrative Expense Claims, the latest of (i) the Effective Date, or (ii) the date on which its Administrative Expense Claim becomes an Allowed Administrative Expense Claim. Notwithstanding the forgoing, the Plan also provides that any Allowed Administrative Expense Claim based on a liability incurred by the Debtors in the ordinary course of business by the Debtors shall be paid by the Debtors or the applicable Trustee, as applicable, in the ordinary course of business consistent with past practice and in accordance with the terms and conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions. Thus, the Plan satisfies section 1129(a)(9)(A) of the Bankruptcy Code.

17. With respect to the payment of Allowed Priority Non-Tax Claims, in accordance with section 1129(a)(9)(B) of the Bankruptcy Code, the Plan provides that holders of Allowed Priority Non-Tax Claims shall receive Cash equal to the Allowed amount of such Claims on or as soon reasonably practicable after the later of (a) the Effective Date and (b) the date such Claim becomes Allowed.

18. With respect to the payment of Priority Tax Claims, in accordance with section 1129(a)(9)(C) of the Bankruptcy Code, Plan provides that, on the later of (i) the Effective Date or (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter, except to the extent that a holder of an Allowed Priority Tax claim agrees to less favorable treatment, each holder of an Allowed Priority Tax claim shall receive, in full satisfaction, settlement, and release of and in exchange for such Allowed Priority Tax Claim, (a) Cash in an amount equal to such Allowed Priority Tax Claim

19. With respect to Secured Tax Claims, the Plan provides that, except to the extent that a holder of an Allowed Secured Claim has been paid in whole or in part by the Debtors prior to the Effective Date or agrees to a less favorable treatment, each holder shall receive from the applicable Trustee from the applicable Trust, Cash in the full amount of the Claim, on or as soon as reasonably practicable after the later of (i) the Effective Date and (ii) the date on which such Claim becomes Allowed. Thus, the Plan satisfies section 1129(a)(9)(C) of the Bankruptcy Code.

20. Based upon the foregoing, it is my belief that the Plan satisfies the requirements of section 1129(a)(9) of the Bankruptcy Code.

21. Acceptance by Impaired Classes of Claims (11 U.S.C. § 1129(a)(10)). I have been informed that section 1129(a)(10) of the Bankruptcy Code requires that if a class of

claims is impaired under the plan, then at least one class of impaired claims must accept the plan, without counting any acceptance of the plan by any insider. It is my understanding that the Debtors have met this standard because Classes 3, 4(a)-(f), 5, and 7(d)-(f) have affirmatively accepted the Plan, without including the acceptance of the Plan by insiders in such classes. Accordingly, section 1129(a)(10) of the Bankruptcy Code is satisfied.

22. Feasibility (11 U.S.C. § 1129(a)(11)). I have been informed that section 1129(a)(11) of the Bankruptcy Code permits a plan to be confirmed if it is feasible, *i.e.*, it is not likely to be followed by liquidation or the need for further financial reorganization, unless the Plan contemplates such liquidation. Indeed, section 1123(b)(4) of the Bankruptcy Code permits liquidation plans that "*provide for the sale of all or substantially all of the property of the estate, and the distribution of the proceeds of such sale among holders of claims or interests*" in chapter 11 proceedings and, thus, such a plan does not violate the requirements of section 1129(a). Moreover, I have been informed by the Debtors' legal advisors that when a plan of liquidation is tested against section 1129(a)(11), the feasibility standard is greatly simplified. In the context of a liquidating plan, feasibility is established by demonstrating the debtor's ability to satisfy the conditions precedent to the Effective Date and otherwise have sufficient funds to meet its post-Confirmation Date obligations to pay for the costs of administering and fully consummating the Plan and closing the Chapter 11 Cases. Notably, there is no requirement that such payments will be guaranteed.

23. I believe that the Debtors will be able to satisfy the conditions precedent to the Effective Date in Section 9.1 of the Plan. The Trusts will have in excess of $100 million in Cash on the Effective Date. In addition, Reorganized Advanta will have access to $6.7 million in Cash. I have been informed that the Debtors will have access to sufficient resources to meet

all of their obligations under the Plan, including post-Confirmation Date obligations to pay for the costs of administering and fully consummating the Plan and closing the Chapter 11 Cases.

24. Payment of Fees (11 U.S.C. § 1129(a)(12)). It is my understanding that section 1129(a)(12) of the Bankruptcy Code requires the payment of "[a]ll fees payable under section 1930 [of title 28 of the United States Code], as determined by the court at the hearing on confirmation of the plan." In accordance with sections 507 and 1129(a)(12) of the Bankruptcy Code, Section 12.8 of the Plan provides that all such fees and charges, to the extent not previously paid, will be paid on the Effective Date.

25. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Debtors believe that the COLI Program is the Debtors' only "retiree benefit" as such term is defined in section 1114(a) of the Bankruptcy Code. As reflected in Section 8.7 of the Plan, the COLI Program will continue in effect after the Effective Date, subject to the right of the Trustees or Reorganized Advanta, as applicable, to modify, terminate, or surrender the COLI Program and/or any underlying insurance policies in accordance with the terms thereof. Thus, the requirements of section 1129(a)(13) of the Bankruptcy Code are satisfied.

26. Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). The Debtors are not obligated to pay any domestic support obligations, and, as such, this section of the Bankruptcy Code does not apply.

27. Objection to Plan of an Individual Debtor (11 U.S.C. § 1129(a)(15)). The Debtors are not individuals, and, as such, this section of the Bankruptcy Code does not apply.

28. Transfers of Property (11 U.S.C. § 1129(a)(16)). The Debtors are not corporations or trusts that are not moneyed, business or commercial corporations or trusts, and, as such, this section of the Bankruptcy Code does not apply.

29. Confirmation of the Plan Over Nonacceptance of Impaired Classes (11 U.S.C. § 1129(b)). It is my understanding, based on my discussions with the Debtors' legal advisors, that a plan may be confirmed notwithstanding the rejection or deemed rejection by a class of claims or equity interests so long as the plan does not "*discriminate unfairly*" and is "*fair and equitable.*" It is my further understanding, based on such discussions, that (i) a plan does not "*discriminate unfairly*" if the legal rights of a rejecting class are treated in a manner that is consistent with the treatment of other classes whose legal rights are substantially similar to those of the rejecting class and (ii) the "*fair and equitable*" requirement is satisfied if the holders of claims and interests in junior classes are not receiving any property under the Plan. The only impaired Classes that have rejected the Plan are Classes 7(a)-(c). In addition, Classes 6(a)-(f) did not submit votes on the Plan, and, thus, have not accepted the Plan. For the reasons described below, it is my understanding that the Plan may nonetheless be confirmed over the rejection by such Classes pursuant to section 1129(b) of the Bankruptcy Code because the Plan does not discriminate unfairly and is fair and equitable with respect to all Classes.

30. Based upon my discussions with the Debtors' advisors and upon my familiarity with the Bankruptcy Code, I believe the Plan does not discriminate unfairly with respect to the Classes 6(a)-(f) and 7(a)-(c). The Plan does not discriminate unfairly against Classes 6(a)-(f) because Classes 6(a)-(f) are the only classes of Claims that are subject to subordination under the Bankruptcy Code, including, but not limited to, subordination under section 510 of the Bankruptcy Code, and, as such, differ in legal nature and priority from all other Classes. Likewise, the Plan does not discriminate unfairly against Classes 7(a)-(c) because Classes 7(a)-(c) are comprised of holders of certain Equity Interests. The holders of Equity Interests in Classes 7(a)-(c), which are either Advanta or one of its wholly-owned subsidiaries,

will not receive any distribution because creditors of the Consolidated Debtors (other than ASC), Advantennis, and ASSC are not expected to be paid in full. Accordingly, the Plan does not discriminate unfairly against Classes 6(a)-(f) or 7(a)-(c); rather, the Plan effectuates the priorities set forth in the Bankruptcy Code as such have been explained to me by the Debtors' legal advisors.

31. Similarly, it is my understanding that the "*fair and equitable*" rule is satisfied as to the holders of Subordinated Claims against the Consolidated Debtors, Advantennis, AMCUSA, Advanta Auto Finance, ASSC, and Advanta Finance, respectively, in Classes 6(a)-(f), and (iii) Equity Interests in Classes 7(a)-(c). Specifically, the Plan maintains the relative priority among the classes. Because holders of Equity Interests in Classes 7(a)-(c)– the only classes junior in priority to Classes 6(a)-(c) – will not receive or retain any property on account of their Equity Interests, the Plan is fair and equitable as to claims in Class 6(a)-(c). Similarly, because holders of Equity Interests in Classes 7(d)-(f) – the only classes junior in priority to Classes 6(d)-(f) – will only receive a distribution after any Allowed Claims in Classes 6(d)-(f) are paid in full, the Plan is fair and equitable as to Claims in Classes 6(d)-(f). Further, pursuant to the Bankruptcy Code, equity interests are afforded the lowest priority in the distribution of a debtor's estate, and, accordingly, there are no Classes junior to Classes 7(a)-(c). Thus, because no holder of a junior interest will receive or retain any property under the Plan, it is my understanding that the Plan satisfies the absolute priority rule of section 1129(b)(2)(C) of the Bankruptcy Code and provides for the fair and equitable treatment of Equity Interests in Classes 7(a)-(c).

32. Section 1129(c). The Plan is the only plan filed in these Chapter 11 Cases and, as such, based on discussions with the Debtors' legal advisors, this section of the Bankruptcy Code does not apply.

33. Section 1129(d). It is my understanding that the Plan has not been filed for the purpose of avoidance of taxes or the application of Section 5 of the Securities Act of 1933, as amended.

34. Section 1129(e). The Chapter 11 Cases are not small business cases, as this term has been explained to me by the Debtors' legal advisors, and, as such, this section of the Bankruptcy Code does not apply.

35. Insurance Policies. Advanta has sent to its applicable insurers notices of circumstances that could give rise to claims against Advanta and its directors and officers that are unrelated to the purchase and sale of securities, including certain claims that the Federal Deposit Insurance Corporation might assert against Advanta's directors and officers.

Conclusion

36. In light of the foregoing, I believe that confirmation of the Plan is appropriate, is in the best interest of all parties in interest and should be approved.

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

Dated: February 8, 2011
Conshohocken, Pennsylvania

ADVANTA CORP.
(for itself and on behalf of its affiliated Debtors and Debtors in Possession)

By: /s/ William A. Rosoff
William A. Rosoff
President and Vice Chairman