

**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 FINAL APPLICATION OF
DRINKER BIDDLE & REATH LLP FOR COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE
PERIOD FROM NOVEMBER 23, 2009 THROUGH FEBRUARY 28, 2011**

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 Final Application of Drinker Biddle & Reath LLP for Compensation for Services Rendered and Reimbursement of Expenses for the Period from November 23, 2009 through February 28, 2011 (the “Application” or “Final Application”).

BACKGROUND

1. Drinker Biddle & Reath LLP (“Drinker”) was retained as Delaware counsel to the Official Committee of Unsecured Creditors. In the Application, Drinker seeks approval of fees and expenses as follows: fees totaling \$135,046.75 and expenses totaling \$3,004.56 for its services from December 1, 2010 through February 28, 2011 (the “Fourth Interim Period”),¹ and final approval of

¹Drinker did not file a quarterly application for the Fourth Interim Period, but included these amounts in its Final Application.

fees totaling \$403,008.75² and expenses totaling \$6,898.93³ for its services from November 23, 2009 through February 28, 2011 (the “Final 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, 2011, 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 sent to Drinker an e-mail inquiry based on our review, and we received a response from Drinker, portions of which response are quoted herein.

DISCUSSION

Fourth Interim Period

²We note that the total of the fees requested in Drinker’s three prior applications, plus the compensation sought for the Fourth Interim Period, is \$403,008.75. The Court has ordered no reductions for the prior periods, which periods are discussed in more detail in paragraph 6, and thus Drinker has deducted no sums from this amount to arrive at the figure it seeks of \$403,008.75. We note that the Court has ruled on the First and Second Interim Periods, but no rulings have been made on the Third and Fourth Interim Periods.

³We note that the total of the expenses requested in Drinker’s three prior applications, plus the expenses sought for the Fourth Interim Period, is \$6,900.93. The Court has ordered no reductions for the prior interim periods, which periods are discussed in more detail in Paragraph 6, however, Drinker has deducted from this amount the reductions which we have recommended for the Third Interim Period in order to arrive at the figure it seeks of \$6,898.93. We note that the Court has ruled on the First and Second Interim Periods, but no rulings have been made on the Third and Fourth Interim Periods.

3. We noted the following travel expenses for which more information was needed:

1/28/2011	274.00	Travel Expenses – Diners Club 12/16/10 Newark to Wilmington R. Malone
2/17/11	35.20	Travel Expenses – Howard A. Cohen 2/14/11 NY/Client Mtg

In response to our inquiry, Drinker provided the following information:

With respect to the 1/28 charge of \$274, this was for Robert Malone's round trip train ticket to Delaware to attend the disclosure statement hearing (see attached receipt).

With respect to the 2/17 charge of \$35.20, I had to attend a post-confirmation meeting in New York in connection with the plan going effective. In this regard, I incurred several charges, including a taxi ride from NYP to Latham's office, a parking garage charge and a train ticket change fee. These charges add up to \$35.20....

We have attached the receipt provided by Drinker as Response Exhibit 1. We accept Drinker's response and have no objection to these expenses.⁴

4. Thus, we recommend approval of \$135,046.75 in fees and \$3,004.56 in expenses for Drinker's services for the Fourth Interim Period.

Prior Interim Periods

5. We note that we previously filed the following final reports for Drinker's prior interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on Drinker's prior interim applications:

1st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications With No Fee or Expense Issues for the First Interim Period (Docket #844)

⁴We noted that the train fare receipt indicates the ticket was "Express Business." We asked Drinker why it took business class rather than coach and Drinker responded that "[w]hen (we) booked the train that was the only option since the rest of the train was sold out." Thus, we accept Drinker's response and have no objection to this expense.

filed on or about October 5, 2010, in which we recommended approval of fees totaling \$61,619.50 and expenses totaling \$343.00. These recommendations were adopted in the Omnibus Order Approving First Interim Fee Application Requests, dated October 26, 2010 (Docket #879).

2nd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications With No Fee or Expense Issues for the Second Interim Period (Docket #1117) filed on or about January 20, 2011, in which we recommended approval of fees totaling \$81,986.00 and expenses totaling \$1,465.22. These recommendations were adopted in the Omnibus Order Approving Second Interim Fee Application Requests, dated February 8, 2011 (Docket #1150).

3rd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with *De Minimis* or No Fee or Expense Issues for the Third Interim Period (Docket #1245) filed on or about May 2, 2011, in which we recommended approval of fees totaling \$124,356.50 and expenses totaling \$2,086.15, reflecting our recommended reduction of \$2.00 in expenses, as further explained in paragraph 5 of that final report. The Court has not yet ruled on this Application.


6. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods.

CONCLUSION

7. Thus, we recommend final approval of \$403,008.75⁵ in fees and \$6,898.93⁶ in expenses for Drinker's services for the Final Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 
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FEE AUDITOR

⁵We note that the total of the fees requested in Drinker's three prior applications, plus the compensation sought for the Fourth Interim Period, is \$403,008.75. The Court has ordered no reductions for the prior periods, which periods are discussed in more detail in paragraph 6, and thus Drinker has deducted no sums from this amount to arrive at the figure it seeks of \$403,008.75. We note that the Court has ruled on the First and Second Interim Periods, but no rulings have been made on the Third and Fourth Interim Periods.

⁶We note that the total of the expenses requested in Drinker's three prior applications, plus the expenses sought for the Fourth Interim Period, is \$6,900.93. The Court has ordered no reductions for the prior interim periods, which periods are discussed in more detail in Paragraph 6, however, Drinker has deducted from this amount the reductions which we have recommended for the Third Interim Period in order to arrive at the figure it seeks of \$6,898.93. We note that the Court has ruled on the First and Second Interim Periods, but no rulings have been made on the Third and Fourth Interim Periods.

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 16th day of May, 2011.



Warren H. Smith

SERVICE LIST
Notice Parties

Applicant

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

Debtors

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

Debtor's Counsel

Robert L. Lemons
Victoria Vron
Jennifer Ganesh
Weil, Gotshal & Manges, LLP
767 Fifth Avenue
New York, NY 10153


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

**Counsel to the Official Committee of
Unsecured Creditors**

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

U.S. Trustee

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

Riders **1**  Baggage

Name of Passenger **MALONE/ROBERT MR**
5039082606

NEWARK PENN STA, NJ
WILMINGTON, DE

2nd **2153** Date **16DEC10**

Accom **B** Space/Car
EXPRSS BSNESS


Form of Payment **3947**

Rail Fare	\$122.00	Accom Charge	\$0.00
Fare Plans			\$122.00

BOAE

3498104100329 01 01
15DEC10 **A8452**

PASSENGER RECEIPT

Riders **1**  Baggage

Name of Passenger **MALONE/ROBERT MR**
5039082606

WILMINGTON, DE
NEWARK PENN STA, NJ

2nd **2122** Date **16DEC10**

Accom **B** Space/Car
EXPRSS BSNESS

Form of Payment **3947**

Rail Fare	\$152.00	Accom Charge	\$0.00
Fare Plans			\$152.00

KOAE

3498104100337 01 01
15DEC10 **A8452**

PASSENGER RECEIPT

446173

CONFIRMATION

Thank you for choosing Amtrak!
Your reservation is complete.

<THIS IS NOT A TICKET>

**Reservation Number
0A8452**

Amtrak Guest Rewards Number: 5039082606

We have sent an E-mail confirmation to the following address(es): robert.malone@dbr.com, diane.meaney@dbr.com

Passenger(s)

Robert Malone

Billing Information

Drinker Biddle Reath
500 Campus Drive
Florham Park, NJ 07932

Total \$274.00

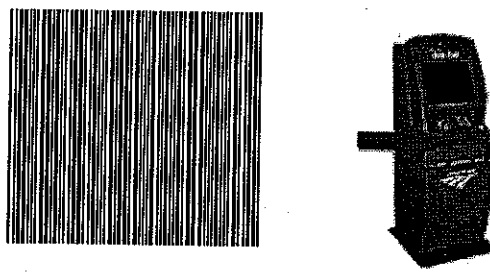
Credit Card: MasterCard
*****3947

This is not a ticket.

Modify or Cancel Reservation

To modify or cancel your reservation online you will be asked to supply the reservation number and e-mail address or phone number you used to book the trip. Not all reservations are eligible for online modifications. Cancellation and/or refund fees may apply.

Retrieve this reservation.



Ticket Information

To pick up tickets at a Quik-Trak ticketing kiosk, print this confirmation page. At the station, scan the barcode under the Quik-Trak scanner and then touch the 'Print Tickets' button. No credit card is needed.

PURCHASE SUMMARY

Thursday, December 16, 2010
2153 Acela Express (NWK - WIL)

Depart: 10:14 am, Thu, Dec 16, 2010
Arrive: 11:26 am, Thu, Dec 16, 2010
Duration: 1 hr, 12 min
Amenities

1 Adult	\$122.00
1 Business Class Seat	
Subtotal \$122.00	

Thursday, December 16, 2010
2122 Acela Express (WIL - NWK)

Depart: 6:21 pm, Thu, Dec 16, 2010
Arrive: 7:38 pm, Thu, Dec 16, 2010
Duration: 1 hr, 17 min
Amenities

1 Adult	\$152.00
1 Business Class Seat	
Subtotal \$152.00	

Purchase Total \$274.00

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Meaney, Diane

From: tickets@amtrak.com
Sent: Wednesday, December 15, 2010 4:38 PM
To: Meaney, Diane
Subject: Amtrak: Reservation Confirmation - THIS IS NOT A TICKET

Thank you for choosing Amtrak. Save or print this page for your records.

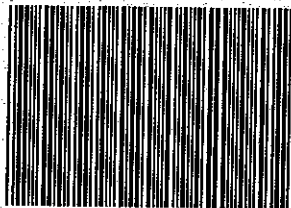

Reservation Number: 0A8452
Amtrak Guest Rewards Number:: 5039082606

THIS IS NOT A TICKET.

This confirmation notice is not a ticket. You must obtain a ticket before boarding.

TICKETING INFORMATION

THIS IS NOT A TICKET. You must obtain your ticket(s) before boarding. You can pick up your tickets any Amtrak Quik-Trak self-service ticketing kiosk, or at any Amtrak ticket window. Please check station operating hours before you go, as Amtrak ticket window hours and/or Quik-Trak kiosk hours vary from station to station.

	SCAN AT QUIK-TRAK	
To pick up tickets at a Quik-Trak ticketing kiosk, print this confirmation page. At the station, scan the barcode under the Quik-Trak scanner and then touch the 'Print Tickets' button. No credit card is needed.		

IMPORTANT POLICIES

For important identification requirements, please visit <http://www.amtrak.com/IDrequirements.html>.

For important baggage policy information, please visit <http://www.amtrak.com/BaggagePolicy.html>.

All Amtrak trains except the Auto Train are non-smoking.

PASSENGER INFORMATION

Passenger 1: Robert Malone (Adult)

ITINERARY

12/15/2010

Newark, NJ (NWK) to Wilmington, DE (WIL)
16-DEC-10; 10:14 am - 16-DEC-10; 11:26 am

Service: 2153 Acela Express
Duration: 1 hr, 12 min

<Departs>
Newark, NJ (NWK)
16-DEC-10; 10:14 am

<Arrives>
Wilmington, DE (WIL)
16-DEC-10; 11:26 am

<Seat(s)/Room(s)>
1 Business Class Seat

Amenities: Snack car

Wilmington, DE (WIL) to Newark, NJ (NWK)
16-DEC-10; 6:21 pm - 16-DEC-10; 7:38 pm

Service: 2122 Acela Express
Duration: 1 hr, 17 min

<Departs>
Wilmington, DE (WIL)
16-DEC-10; 6:21 pm

<Arrives>
Newark, NJ (NWK)
16-DEC-10; 7:38 pm

<Seat(s)/Room(s)>
1 Business Class Seat

Amenities: Snack car

FARE INFORMATION

Rail Fare \$274.00
Accommodations \$0.00
Price
Ticket Delivery \$0.00
Fee

Total \$274.00

BILLING INFORMATION

Billed to:

Drinker Biddle Reath
500 Campus Drive
Florham Park, NJ 07932
United States

Total Amtrak Charge \$274.00

Amtrak will only charge your credit card the amount for rail fare, accommodations and ticket delivery (total Amtrak charge above). Your other travel options (if any) will be charged by our travel partner(s), and you will receive a separate confirmation E-Mail detailing those charges.

Credit Card: MasterCard *****3947

ADDITIONAL INFORMATION

- * We recommend that you arrive at the station at least 30 minutes prior to your scheduled departure. Allow additional time if you need help with baggage or tickets.
- * If you are traveling on the Auto Train you must check in at least two hours before scheduled departure.
- * To modify or cancel your reservation online you will be asked to supply the reservation number and e-mail address or phone number you used to book the trip. Not all reservations are eligible for online modification. If you are unable to modify or cancel your reservation online, call 1-800-USA-RAIL (1-800-872-7245). Cancellation and/or refund fees may apply.
- * Need a hotel or car? Amtrak offers great deals for your destination. For the best hotel, car and activity deals, visit <http://trip.amtrak.com> to book now.
- * THIS IS NOT A TICKET

HAVE A GREAT TRIP!

Questions? Contact us online at <http://www.amtrak.com/contactus.html> or call 1-800-USA-RAIL (1-800-872-7245).