

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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*In re*

Chapter 11

ADVANTA CORP., *et al.*,<sup>1</sup>

Case No. 09-13931 (KJC)

Debtors.

(Jointly Administered)

Hearing Date: April 21, 2015 at 10:00 a.m. (ET)

Obj. Deadline: March 6, 2015 at 4:00 p.m. (ET)

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**SECOND MOTION OF THE LIQUIDATING TRUSTEE FOR ENTRY OF AN  
ORDER EXTENDING THE TERM OF CERTAIN LIQUIDATING TRUSTS**

FTI Consulting, Inc., in its capacity as the liquidating trustee (the “Liquidating Trustee”) under the *Debtors’ Joint Plan Under Chapter 11 of the Bankruptcy Code* (as modified, the “Plan”),<sup>2</sup> by and through its counsel, Latham & Watkins LLP and Drinker Biddle & Reath LLP, hereby moves (the “Motion”) the Bankruptcy Court for the entry of an order in the form attached hereto as Exhibit A (the “Order”) extending the term of the AC Liquidating Trust (a.k.a. the “AC Trust”) and the Advanta Trust by eighteen (18) months, through and including February 28, 2017, without prejudice to the Liquidating Trustee’s right to seek further extensions. In support of the Motion, the Liquidating Trustee respectfully represents as follows:

<sup>1</sup> The Debtors in these jointly administered chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, were Advanta Corp. (2070), Advanta Investment Corp. (5627), Advanta Business Services Holding Corp. (4047), Advanta Business Services Corp. (3786), Advanta Shared Services Corp. (7074), Advanta Service Corp. (5625), Advanta Advertising Inc. (0186), Advantennis Corp. (2355), Advanta Mortgage Holding Company (5221), Advanta Auto Finance Corporation (6077), Advanta Mortgage Corp. USA (2654), Advanta Finance Corp. (8991), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), Advanta Credit Card Receivables Corp. (7955), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

### **JURISDICTION**

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Article XI of the Plan. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

### **BACKGROUND**

2. On November 8, 2009, Advanta Corp. and certain other Debtors filed their petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). On November 20, 2009, the remaining Debtors filed their chapter 11 cases.

3. On November 2, 2010, the Debtors filed the Disclosure Statement with the Bankruptcy Court, and on December 17, 2010, the Bankruptcy Court entered the Disclosure Statement Order approving the Disclosure Statement, as modified. On February 11, 2011, the Bankruptcy Court entered the Confirmation Order confirming the Plan. The effective date occurred on February 28, 2011 (the “Effective Date”), and the Plan (as modified on February 28, 2011) was substantially consummated.

4. In accordance with the Plan, and pursuant to the Liquidating Trust Agreements, seven Liquidating Trusts were established on the Effective Date. The Liquidating Trusts received their respective Liquidating Trust Assets on the Effective Date. Since that time, the Liquidating Trustee has, and continues, to fulfill its obligations in furtherance of and consistent with the purpose of the Liquidating Trusts and the Plan. Among other things, the Liquidating Trustee has held and managed the respective Liquidating Trust Assets, made significant distributions to certain holders of Beneficial Interests in the Liquidating Trusts, reviewed, investigated, reconciled, and objected, as necessary, to Claims, filed tax and regulatory forms, returns, reports, and other financial information required with respect to the Liquidating Trusts, and

otherwise taken all action to implement the Plan.

5. On June 6, 2011, December 18, 2012, and December 30, 2013, at the request of the Liquidating Trustee, the Bankruptcy Court entered certain orders and final decrees closing the bankruptcy cases of the following Debtors, respectively: <sup>3</sup>

<b>Debtor</b>	<b>Case Number</b>
Advanta Investment Corp.	09-13942 (KJC)
Advanta Business Services Holding Corp.	09-13935 (KJC)
Advanta Auto Finance Corporation	09-13939 (KJC)
Advanta Business Services Corp.	09-13933 (KJC)
Advanta Finance Corp.	09-13944 (KJC)
Advanta Advertising Inc.	09-13943 (KJC)
Advanta Mortgage Corp. USA	09-13937 (KJC)
Advanta Mortgage Holding Company	09-13938 (KJC)
Advanta Services Corp.	09-13932 (KJC)
Advanta Shared Services Corp.	09-13934 (KJC)
Advanta Ventures Inc.	09-14125 (KJC)
Advantennis Corp.	09-13941 (KJC)
BE Corp	09-14130 (KJC)
ideablob Corp.	09-14129 (KJC)
Advanta Credit Card Receivables Corp.	09-14127 (KJC)
Great Expectations International Inc.	09-13945 (KJC)
Great Expectations Franchise Corp.	09-13936 (KJC)
Great Expectations Management Corp.	09-13940 (KJC)

Correspondingly, on December 18, 2012, the Advantennis Liquidating Trust, Advanta Auto Finance Trust, and the Advanta Finance Trust, were each dissolved, respectively. Subsequently, the ASSC Trust and the AMCUSA Trust were both dissolved. Thus, the only remaining open bankruptcy case is Advanta Corp. (Case No. 09-13931-KJC) and the only remaining Liquidating Trusts are the AC Liquidating Trust and the Advanta Trust (the “Remaining Liquidating Trusts”).

<sup>3</sup> As noted below, on January 30, 2014, the Liquidating Trustee filed its Motion to Extend the Term of Certain Liquidating Trusts (Docket No. 1600). In that motion, the Liquidating Trustee stated that the Bankruptcy Court entered orders and final decrees closing certain bankruptcy cases, including one such order and final decree on December 6, 2011. The reference to an order and final decree being entered on June 6, 2011 was incorrect, and the order and final decree was, in fact, entered on June 6, 2011.

6. On January 30, 2014, the Liquidating Trustee filed its Motion to Extend the Term of Certain Liquidating Trusts (Docket No. 1600). On February 20, 2014, the Court entered an order extending the terms the Liquidating Trusts through August 28, 2015 (Docket No. 1605).

**RELIEF REQUESTED AND BASIS THEREOF**

7. By this Motion, the Liquidating Trustee requests the entry of an Order extending the term of the AC Liquidating Trust and the Advanta Trust by eighteen (18) months, through and including February 28, 2017, without prejudice to the Liquidating Trustee's right to seek further extensions and/or amendments to the terms of the Remaining Liquidating Trusts.

8. Pursuant to Section 7.1(a) of each of the Liquidating Trust Agreements, each Liquidating Trust shall terminate upon the earliest to occur of the following conditions (even if the respective beneficiaries to the applicable Liquidating Trust Agreement have not been paid in full): (i) all of the Liquidating Trust Assets of the applicable Liquidating Trust has been distributed pursuant to the Plan and the applicable Liquidating Trust Agreement; (ii) the Liquidating Trustee determining, in its sole discretion, that the administration of the applicable Liquidating Trust is not likely to yield sufficient additional proceeds to justify further pursuit; (iii) all distributions required to be made by the Liquidating Trustee under the Plan and the applicable Liquidating Trust Agreement have been made; or (iv) three years from the Effective Date have elapsed.

9. Section 7.1(a) of the Liquidating Trust Agreements provides that the term of the AC Liquidating Trust and the Advanta Trust may be extended by a fixed amount of time if the Bankruptcy Court determines that an extension is necessary to facilitate or complete the recovery and liquidation of each of the respective Liquidating Trusts.

10. With the Bankruptcy Court's February 20, 2014 entry of an order extending the terms the Liquidating Trusts, without further action of the Bankruptcy Court, the Remaining

Liquidating Trusts are set to be terminated on August 28, 2015.<sup>4</sup>

11. A fixed-period extension of an additional eighteen (18) months, through and including February 28, 2017, is necessary to facilitate the recoveries and liquidation of each of the AC Liquidating Trust and the Advanta Trust. In December 2014, the Liquidating Trustee made its fourth distribution to certain Liquidating Trust Beneficiaries. Collectively, the four distributions made to date have provided a full recovery to Liquidating Trust Beneficiaries on account of Allowed Retail Note Claims and a recovery of approximately 60% to Liquidating Trust Beneficiaries on account of Allowed General Unsecured Claims. Notwithstanding these substantial distributions, the Liquidating Trustee is examining the potential to monetize the Liquidating Trusts' remaining assets and the Liquidating Trustee believes that further distributions may still be possible. A fixed-period extension of the trusts, however, will be necessary to make such distributions. Additionally, the resolution of certain corporate issues remains outstanding.

12. Although the Liquidating Trustee does not believe that it will be necessary to file any further claims objections in these cases, out of an abundance of caution, the Liquidating Trustee believes an extension of the AC Liquidating Trust and Advanta Trust is necessary to allow the Liquidating Trustee sufficient time to confirm that all Claims have been reconciled. In addition to the foregoing, there are still other matters, such as the preparation and filing of tax returns and correspondence to the beneficiaries of the remaining Liquidating Trusts, which are pending and likely require the existence of the remaining Liquidating Trusts for at least eighteen more months.

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<sup>4</sup> For the avoidance of doubt, Pursuant to Rule 9006-2 of the Local Bankruptcy Rules for the District of Delaware, the filing of this Motion prior to the termination date of the AC Liquidating Trust and the Advanta Trust shall serve to automatically extend the terms of each Liquidating Trust without the necessity for the entry of a bridge order, until the Bankruptcy Court rules on this Motion.

13. The Liquidating Trustee has acted diligently to discharge its responsibilities under the Plan and the Liquidating Trust Agreements. As the foregoing demonstrates, however, there are still matters pending that will not be, and could not have been, resolved prior to August 28, 2015 for each of the AC Liquidating Trust and the Advanta Trust. The Liquidating Trustee, therefore, respectfully submits that a fixed-period extension of each of the AC Liquidating Trust and the Advanta Trust is necessary to facilitate or complete the recovery and liquidation.

**NOTICE**

14. Notice of this Motion will be provided to: (i) the Office of the United States Trustee for the District of Delaware; and (ii) those parties who have requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure. The Liquidating Trustee respectfully submits that no other or further notice of this Motion or hearing is required.

WHEREFORE, for the reasons stated herein, the Liquidating Trustee respectfully requests that the Bankruptcy Court (i) enter an Order extending the term of each of the AC Liquidating Trust and the Advanta Trust by a fixed-period of eighteen (18) months, through and including February 28, 2017, without prejudice to the Liquidating Trustee's right to seek further extensions and/or amendments and (ii) grant such other relief as the Bankruptcy Court deems just and proper.

Dated: February 13, 2015  
Wilmington, Delaware

**DRINKER BIDDLE & REATH LLP**

/s/ Howard A. Cohen  
\_\_\_\_\_  
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*Counsel to FTI Consulting, Inc., solely in its  
capacity as Liquidating Trustee*

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

-----X

*In re*

Chapter 11

ADVANTA CORP., *et al.*,<sup>1</sup>

Case No. 09-13931 (KJC)

Debtors.

(Jointly Administered)

**Hearing Date: April 21, 2015 at 10:00 a.m. (ET)**

**Obj. Deadline: March 6, 2015 at 4:00 p.m. (ET)**

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**NOTICE OF MOTION**

PLEASE TAKE NOTICE that on February 13, 2015, FTI Consulting, Inc., in its capacity as the liquidating trustee (the "Liquidating Trustee") under the *Debtors' Joint Plan Under Chapter 11 of the Bankruptcy Code* (as modified, the "Plan"), filed the *Motion (Second) of the Liquidating Trustee for the Entry of an Order Extending the Term of Certain Liquidating Trusts* (the "Motion") with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 (the "Bankruptcy Court").

PLEASE TAKE FURTHER NOTICE that any responses or objections to the Motion must be in writing, filed with the Clerk of the Bankruptcy Court and served upon and received by the undersigned counsel for the Trustee at or before **4:00 p.m. (Eastern Time) on March 6, 2015.**<sup>2</sup>

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<sup>1</sup> The Debtors in these jointly administered chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, were Advanta Corp. (2070), Advanta Investment Corp. (5627), Advanta Business Services Holding Corp. (4047), Advanta Business Services Corp. (3786), Advanta Shared Services Corp. (7074), Advanta Service Corp. (5625), Advanta Advertising Inc. (0186), Advantennis Corp. (2355), Advanta Mortgage Holding Company (5221), Advanta Auto Finance Corporation (6077), Advanta Mortgage Corp. USA (2654), Advanta Finance Corp. (8991), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), Advanta Credit Card Receivables Corp. (7955), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328).

<sup>2</sup> Objections to the Motion may be served on undersigned counsel by either facsimile or electronic mail.



PLEASE TAKE FURTHER NOTICE that if an objection is timely filed, served and received and such objection is not otherwise timely resolved, a hearing to consider such objection and the Motion will be held before The Honorable Kevin J. Carey at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5<sup>th</sup> Floor, Courtroom No. 5, Wilmington, Delaware 19801 on **April 21, 2015 at 10 a.m. (ET)**.

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

Dated: February 13, 2015  
Wilmington, Delaware

**DRINKER BIDDLE & REATH LLP**

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*Counsel to FTI Consulting, Inc., solely in its capacity as Liquidating Trustee*

**EXHIBIT A**

**PROPOSED FORM OF ORDER**

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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*In re*

Chapter 11

ADVANTA CORP., *et al.*,<sup>1</sup>

Case No. 09-13931 (KJC)

Debtors.

(Jointly Administered)

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**Re: Docket No. \_\_\_\_**

**ORDER (SECOND) EXTENDING THE TERM OF CERTAIN LIQUIDATING TRUSTS**

Upon consideration of the Motion<sup>2</sup> of the Liquidating Trustee for an Order extending the term of the AC Liquidating Trust (a.k.a. the “AC Trust”) and the Advanta Trust by eighteen (18) months, through and including February 28, 2017, without prejudice to the Liquidating Trustee’s right to seek further extensions; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and Article XI of the Plan; and it appearing that venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having determined that the relief requested in the Motion is necessary to facilitate or complete the recovery and liquidation of each of the AC Liquidating Trust and the Advanta Trust; and this Court having determined that the relief requested in the Motion is in the best interests of the AC Liquidating Trust and the Advanta Trust and each of its respective beneficiaries; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice or hearing is necessary; and after due

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion or the Plan, as applicable.

deliberation thereon; and good and sufficient cause appearing therefor;

IT IS HERBY ORDERED THAT:

1. The Motion is GRANTED.
2. The term of each of the AC Liquidating Trust (a.k.a. the "AC Trust") and the Advanta Trust is extended by eighteen (18) months, through and including February 28, 2017.
3. The relief granted herein is without prejudice to the Liquidating Trustee's right to seek further extensions or amendments of the term of the AC Liquidating Trust and/or the Advanta Trust.
4. The Liquidating Trustee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
5. This Order shall be effective immediately upon entry.
6. This Court shall retain jurisdiction to hear, determine, and enforce all matters arising from the interpretation, implementation, and/or terms of this Order.

Dated: \_\_\_\_\_, 2015  
Wilmington, Delaware

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THE HONORABLE KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE