

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

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In re	:	Chapter 11
ADVANTA CORP., <i>et al.</i> ,	:	Case No. 09-13931 (KJC)
Debtors. <sup>1</sup>	:	(Jointly Administered)
-----	:	
ADVANTA BANK CORP.,	:	
Plaintiff,	:	
v.	:	
ADVANTA CORP.,	:	Adv. Proc. No. 10-50795 (KJC)
Defendant.	:	
-----	:	
	X	

**ADVANTA’S MOTION SEEKING SHORTENED NOTICE AND  
OBJECTION PERIODS FOR MOTION FOR AN ORDER APPROVING  
THE SETTLEMENT AGREEMENT BETWEEN ADVANTA CORP., THE  
FEDERAL DEPOSIT INSURANCE CORPORATION, AS RECEIVER FOR ADVANTA  
BANK CORP., AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

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<sup>1</sup> The Debtors in these jointly administered chapter 11 cases (the “*Chapter 11 Cases*”), along with the last four digits of each Debtor’s federal tax identification number, are Advanta Corp. (2070) (“*Advanta*”), Advanta Investment Corp. (5627), Advanta Business Services Holding Corp. (4047), Advanta Business Services Corp. (3786), Advanta Shared Services Corp. (7074), Advanta Service Corp. (5625), Advanta Advertising Inc. (0186), Advantennis Corp. (2355), Advanta Mortgage Holding Company (5221), Advanta Auto Finance Corporation (6077), Advanta Mortgage Corp. USA (2654), Advanta Finance Corp. (8991), Advanta Ventures Inc. (5127), BE Corp. (8960), ideablob Corp. (0726), Advanta Credit Card Receivables Corp. (7955), Great Expectations International Inc. (0440), Great Expectations Franchise Corp. (3326), and Great Expectations Management Corp. (3328). Information regarding the Debtors’ businesses and the background relating to events leading up to these chapter 11 cases can be found in (i) the Declaration of William A. Rosoff in Support of the Debtors’ Chapter 11 Petitions and First-Day Motions, filed on November 8, 2009, the date the majority of Debtors filed their petitions under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”), and (ii) that certain supplement thereto, filed on November 20, 2009, the date Advanta Ventures Inc., BE Corp., ideablob Corp. and Advanta Credit Card Receivables Corp. filed their chapter 11 cases. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Further, in accordance with an order of this Court, the Debtors’ cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”).

Advanta, the above-captioned debtor and debtor in possession and defendant in the above-referenced adversary proceeding (the “*Tax Litigation*”), hereby requests the entry of an order pursuant to section 105 of title 11 of the Bankruptcy Code, Rules 2002 and 9006(c)(1) of the Bankruptcy Rules, and Rule 9006-1(c) and (e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “*Local Rules*”) (i) approving the form and manner of notice of the *Motion for an Order Approving the Settlement Agreement Between Advanta Corp., the Federal Deposit Insurance Corporation, as Receiver for Advanta Bank Corp., and the Official Committee of Unsecured Creditors* (the “*9019 Motion*”), filed contemporaneously herewith; (ii) permitting parties to file objections to the 9019 Motion no later than 11:00 a.m. (Eastern Daylight Time) on September 6, 2010; and (iii) allowing the 9019 Motion to be heard on shortened notice on or about September 8, 2010 (the “*September Hearing*”). Pursuant to the 9019 Motion, Advanta is seeking entry of an order approving the terms of a settlement agreement (the “*Settlement Agreement*”) by and between Advanta, the Federal Deposit Insurance Corporation (the “*FDIC*”), as receiver for Advanta Bank Corp. (“*ABC*”), and the official committee of unsecured creditors appointed in these Chapter 11 Cases (the “*Creditors’ Committee*,” and each of Advanta, the FDIC, and the Creditors’ Committee a “*Party*” and collectively the “*Parties*”), which resolves, among other things, the Tax Litigation and certain proofs of claim filed by the Parties. In support of this motion to shorten notice and objection periods (the “*Motion to Shorten*”), Advanta respectfully states as follows:

### **Jurisdiction**

1. The Court has jurisdiction over this Motion to Shorten under 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b). Venue of

these proceedings and this Motion to Shorten in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are Bankruptcy Rules 2002 and 9006(c)(1), and Local Rule 9006-1(c) and (e).

### **Relief Requested**

3. By this Motion to Shorten, Advanta respectfully requests that the Court enter an order (i) shortening notice pursuant to Bankruptcy Rules 2002 and 9006(c)(1) and Local Rule 9006-1(c) and (e) with respect to the 9019 Motion, (ii) permitting parties to file objections to the 9019 Motion no later than 11:00 a.m. (Eastern Daylight Time) on September 6, 2010, (iii) setting the expedited hearing with respect to the 9019 Motion and any objections in connection therewith for the September Hearing, and (iv) granting such other and further relief to Advanta as the Court deems appropriate.

### **Basis for Relief**

4. Bankruptcy Rule 2002(a)(3) requires at least twenty-one (21) days' notice by mail of a hearing on approval of a compromise or settlement of a controversy. Bankruptcy Rule 9006(c)(1) provides, however, that "when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced." *See also* Local Rule 9006-1(e) (stating that "[n]o motion will be scheduled on less notice than required by these Local Rules or the Fed. R. Bankr. P. except by order of the Court, on written motion . . . specifying the exigencies justifying shortened notice."). In addition, Local Rule 9006-1(c) requires that the objection deadline with respect to motions be scheduled to permit all objections to be filed and served at least seven (7) days before the hearing date and

further provides that “any objection deadline may be extended by agreement of the movant; provided, however, that no objection deadline may extend beyond the agenda deadline.”

5. Advanta respectfully submits that exigent circumstances exist to justify shortened notice and objection periods for the 9019 Motion and that allowing the 9019 Motion to be considered on shortened notice at the September Hearing is reasonable and appropriate under the circumstances. As is set forth in greater detail in the 9019 Motion, Advanta is seeking the entry of an order approving the terms of the Settlement Agreement by and between the Parties resolving, among other things, the Tax Litigation and certain proofs of claim filed by the Parties. Advanta believes that the consideration of the 9019 Motion on shortened notice is necessary and appropriate because approval of the Settlement Agreement is needed to avoid the additional expense and disruption of further litigating the Tax Litigation. Moreover, with respect to approval of the Settlement Agreement, it is imperative to have the 9019 Motion considered at the September Hearing in order to provide the FDIC, as receiver for ABC, with sufficient time to file tax returns by, what it considers to be, the applicable IRS deadline of September 15, 2010. The September Hearing will likely afford the Parties their only opportunity to submit the Settlement Agreement to this Court for approval prior to this deadline.

6. Additionally, Advanta hereby requests that the Court permit parties to file and serve objections to the 9019 Motion, if any, no later than 11:00 a.m. (Eastern Daylight Time) on September 6, 2010. Advanta believes that allowing parties to object to the 9019 Motion by this date is appropriate under the circumstances. Moreover, in accordance with Local Rule 9006-1(c), the proposed objection deadline is prior to the agenda deadline, which is 12:00 p.m. (noon) on September 6, 2010. *See* Local Rule 9029-3(a)(1) (providing that Local counsel shall file the agenda in the bankruptcy case and adversary proceeding, if applicable, with the Bankruptcy

Court on or before 12:00 p.m. prevailing Eastern Time two (2) days before the date of the hearing”).

**Notice**

7. Notice of this Motion to Shorten shall be provided via hand delivery or overnight mail to: (a) counsel to the FDIC; (b) counsel to the Creditors’ Committee; (c) the Office of the United States Trustee for the District of Delaware; and (d) all parties entitled to receive notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, Advanta submits that no other or further notice is required.

**No Prior Request**

8. No prior request for the relief requested herein has been made to this or any other court.

WHEREFORE, Advanta respectfully request the entry of an order, substantially in the form attached hereto as *Exhibit A*, (i) approving the shortened notice and objection periods requested herein, (ii) permitting parties to file objections to the 9019 Motion, if any, no later than 11:00 a.m. (Eastern Daylight Time) on September 6, 2010; (iii) granting the Advanta's request to allow the 9019 Motion and any objections thereto to be heard at the September Hearing; and (vi) granting Advanta such other and further relief as may be just and proper.

Dated: August 27, 2010  
Wilmington, Delaware

/s/ Zachary I. Shapiro  
Mark D. Collins (No. 2981)  
Paul N. Heath (No. 3704)  
Chun I. Jang (No. 4790)  
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ATTORNEYS FOR ADVANTA

**Exhibit A**  
**(Proposed Order)**

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FOR THE DISTRICT OF DELAWARE**

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Plaintiff,	:	
v.	:	
ADVANTA CORP.,	:	Adv. Proc. No. 10-50795 (KJC)
Defendant.	:	<b>Re: Docket No. _____</b>
-----	:	
	X	

**ORDER SHORTENING NOTICE AND OBJECTION PERIODS FOR MOTION  
FOR AN ORDER APPROVING THE SETTLEMENT AGREEMENT  
BETWEEN ADVANTA CORP., THE FEDERAL DEPOSIT INSURANCE  
CORPORATION, AS RECEIVER FOR ADVANTA BANK CORP.,  
AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

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Upon the motion (the “*Motion to Shorten*”) of Advanta for entry of an order shortening notice, pursuant to section 105 of the Bankruptcy Code, Bankruptcy Rules 2002 and 9006(c)(1), and Local Rule 9006-1(c) and (e), with respect to a hearing on the *Motion for an Order Approving the Settlement Agreement Between Advanta Corp., the Federal Deposit Insurance Corporation, as Receiver for Advanta Bank Corp., and the Official Committee of Unsecured Creditors* (the “*9019 Motion*”); and it appearing that the relief requested therein is in the best interests of the Advanta’s estate, its creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that the Motion to Shorten is a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue of this proceeding and the Motion to Shorten in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion to Shorten and the 9019 Motion was appropriate under the particular circumstances and no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Motion to Shorten is GRANTED.
2. Parties in interest shall file and serve objections to the 9019 Motion, if any, no later than 11:00 a.m. (Eastern Daylight Time) on September 6, 2010.
3. The hearing with respect to the 9019 Motion and any objections thereto shall take place at \_\_:\_\_\_.m. (Eastern Daylight Time) on September 8, 2010.
4. Notwithstanding the possible applicability of Fed. R. Bankr. P. 6004(h) or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

5. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: \_\_\_\_\_, 2010  
Wilmington, Delaware

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THE HONORABLE KEVIN J. CAREY  
UNITED STATES BANKRUPTCY JUDGE