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6 Attorneys for Creditor Bellevue Square  
Managers, Inc.

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8 UNITED STATES BANKRUPTCY COURT  
9 CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION

10  
11 In re  
12 ESTYLE, INC., a Delaware corporation,  
13 dba babystyle, Cadeau, and Cadeau  
14 designs,  
15 Debtor.

CASE NO. LA 08-13518-SB

Chapter: 11

DECLARATION OF JOHN S. KAPLAN IN  
SUPPORT OF LIMITED OBJECTION OF  
BELLEVUE SQUARE MANAGERS, INC. TO  
SALE APPROVAL MOTION

Hearing Date: July 8, 2008

Hearing Time: 2:00 p.m.

16 Place: U.S. Bankruptcy Court  
17 Courtroom 1575  
18 255 East Temple Street  
19 Los Angeles, CA 90012

20 I, JOHN S. KAPLAN, hereby declare and state as follows:

21 1. I am a partner in the law firm of Perkins Coie LLP (“Perkins Coie”) and one of the  
22 attorneys responsible for the representation of Bellevue Square Managers, Inc. (“Bellevue  
23 Square”) with respect to this bankruptcy case. If called upon to testify to the truth of the matters  
24 asserted in this declaration, I could and would be able to do so of my own personal knowledge.

25 2. Attached hereto as Exhibit A is a true and correct copy of a summary of Perkins  
26 Coie’s legal invoices to Bellevue Square with respect to this bankruptcy case, totaling \$2,695.70.  
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Attached hereto as Exhibit B are true and correct copies of the detailed invoices summarized on Exhibit A, with other matters billed to Bellevue Square redacted from the invoices.

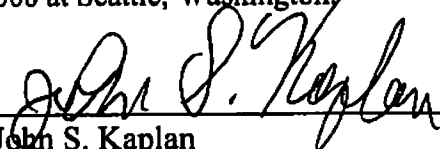
3. Attached hereto as Exhibit C is a true and correct copy of a summary of and detail of Perkins Coie's "work in process" for this matter through June 28, 2008, which has not yet been billed to Bellevue Square.

4. I estimate that, given the need for at least one objection – and possibly a second one due to the confidentiality restrictions placed on use of the adequate assurance materials furnished on June 26, 2008 – Perkins Coie will incur fees of at least \$3,000 on behalf of Bellevue Square in this case that are not otherwise reflected on Exhibits A through C to this Declaration.

5. Attached hereto as Exhibit D are excerpts of the lease currently in effect between Bellevue Square and the debtor, consisting of the cover page, Section 16.3, and the signature pages. The entire lease with exhibits is voluminous but will be furnished by Bellevue Square on request.

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

Executed this 2nd day of July, 2008 at Seattle, Washington.

  
\_\_\_\_\_  
John S. Kaplan

# EXHIBIT

“A”



## Total Billed - Detail

Client: 33120 Bellevue Square LLC (Pre-Reorganization)

Client Status: OPEN

Please contact Michael Brass, Client Accounts Supervisor, if the status is BKCLS, PROM, SUIT, or WOCOL

additional search criteria: Matter Code: 0317 Beginning Date: 03/01/2008 Ending Date: 7/2/2008

Matter: 0317 babystyle - Lease

Invoice #	Date	Fees	Disb	Premium Discount	Invoice Total	Status	Inv. Copy
3765600	6/16/2008	\$1,488.00	\$0.20	\$0.00	\$1,488.20	Outstanding	
3735950	5/22/2008	\$882.00	\$0.00	\$0.00	\$882.00	Settled	
3716950	4/14/2008	\$325.50	\$0.00	\$0.00	\$325.50	Settled	
<b>Total for Matter</b>		<b>\$2,695.50</b>	<b>\$0.20</b>	<b>\$0.00</b>	<b>\$2,695.70</b>		
<b>TOTAL FOR CLIENT</b>		<b>\$2,695.50</b>	<b>\$0.20</b>	<b>\$0.00</b>	<b>\$2,695.70</b>		

**Disclaimer:**

This is an informational report for your convenience. It reflects all invoices (paid and unpaid) that have been posted to our accounting system as of today.

EXHIBIT

“B”

**babystyle - Lease**

<b>Date</b>	<b>Attorney/Assistant</b>	<b>Hours</b>	<b>Amount</b>	<b>Description of Services</b>
03/28/08	J. Kaplan	0.70	325.50	Emails with P. Ho regarding eStyle/BabyStyle bankruptcy filing; locate case and retrieve docket; prepare notice of appearance for filing and service; retrieve pleading regarding store closing procedures;
			<b>Total For Services</b>	<b>\$325.50</b>
			<b>Total This Matter</b>	<b>\$325.50</b>

33120

May 22, 2008

Invoice 3735950

**babystyle - Lease**

<b>Date</b>	<b>Attorney/Assistant</b>	<b>Hours</b>	<b>Amount</b>	<b>Description of Services</b>
04/01/08	C. Rachina	0.30	45.00	Analyze Central District of California court docket regarding claim bar date and lease status; report to J. Kaplan regarding status list;
04/01/08	J. Kaplan	0.20	93.00	Emails with C. Rachina regarding update to bankruptcy tracking spreadsheet to add BabyStyle.
04/02/08	J. Kaplan	0.50	232.50	Review docket and related pleadings; follow up regarding notice of appearance;
04/07/08	J. Kaplan	0.20	93.00	Review pleadings regarding store closing issues.
04/08/08	J. Kaplan	0.10	46.50	Emails with G. Bachman regarding current bankruptcy tracking spreadsheet.
04/16/08	J. Kaplan	0.30	139.50	Review bankruptcy pleadings;
04/18/08	J. Kaplan	0.20	93.00	Review bankruptcy notices;
04/22/08	J. Kaplan	0.30	139.50	Review bankruptcy pleadings;
			<b>Total For Services</b>	<b>\$882.00</b>

**babystyle - Lease**

<b>Date</b>	<b>Attorney/Assistant</b>	<b>Hours</b>	<b>Amount</b>	<b>Description of Services</b>
05/01/08	J. Kaplan	0.10	46.50	Review bankruptcy notices;
05/05/08	J. Kaplan	0.10	46.50	Review bankruptcy pleadings;
05/08/08	J. Kaplan	0.20	93.00	Review employment applications for investment banker and committee counsel;
05/12/08	J. Kaplan	0.10	46.50	Review bankruptcy pleadings;
05/14/08	J. Kaplan	0.20	93.00	Review bankruptcy notices;
05/15/08	J. Kaplan	0.10	46.50	Review bankruptcy pleadings;
05/19/08	J. Kaplan	0.60	279.00	Emails with J. Koeberle regarding debtor's status; review store closing pleadings regarding same;
05/21/08	J. Kaplan	0.90	418.50	Email from and telephone conference with Debtor's corporate counsel regarding request for rent concessions; draft email to J. Koeberle regarding same; review additional pleadings regarding store closures;
05/28/08	J. Kaplan	0.10	46.50	Review bankruptcy notices;
05/29/08	J. Kaplan	0.30	139.50	Review bankruptcy pleadings;
05/30/08	J. Kaplan	0.50	232.50	Review motion to extend assumption/rejection deadline and draft email to client regarding same;

Total For Services            \$1,488.00

**Disbursements and Other Charges**

Long distance telephone charges

0.20

Disbursement and Other Charges Total            \$0.20

**Total This Matter            \$1,488.20**

EXHIBIT

“C”



### WIP - Work-in-Progress (Unbilled Time & Disbursements)

Client: 33120 Bellevue Square LLC (Pre-Reorganization)

additional search criteria: Matter Code: 0317 Beginning Date: Inception Ending Date: 7/2/2008

Matter	Matter Name	Fees	Disb	Total	Last Time Entry
0317	babystyle - Lease	\$2,557.50	\$0.39	\$2,557.89	6/28/2008
<b>Total WIP</b>		\$2,557.50	\$0.39	\$2,557.89	

**Disclaimer:**

This is not a formal bill that would be presented to a client, but rather an informational report for your convenience. It reflects all time and costs that have been posted to our accounting system as of the date noted. Time entries, external and internal costs may be outstanding and not yet reflected on this report. This information has not been reviewed by the service lawyer for accuracy.



**Important Note:** You need to look carefully at the status code on this page. For time entries with a "P" (prebill) status, the "Billed Amount" reflects the matter value of time on the prebill. Such time has not yet been billed to the client. Only time entries with a "B" status have actually been billed to the client.

### Time Detail

additional search criteria: Beginning Date:Inception Ending Date: 7/2/2008 Status: 'W','P'

CSL: Shrontz, Craig H.

Client/Matter: 33120 Bellevue Square LLC (Pre-Reorganization) 0317 babystyle - Lease

Time ID	Tkpr ID	Tkpr Name	Date	Base Hours	Billed Hours	Status	Invoice	Base Amount	Billed Amount	Phase/Task
16569470	02719	Kaplan, John S.	6/1/2008	0.10	0.00	W		\$46.50	\$0.00	
<i>Narrative: Review email from J. Melby;</i>										
16596807	02719	Kaplan, John S.	6/3/2008	0.70	0.00	W		\$325.50	\$0.00	
<i>Narrative: Review bankruptcy pleadings and exchange emails with client regarding status of case and likelihood of liquidation;</i>										
16620589	02719	Kaplan, John S.	6/10/2008	0.20	0.00	W		\$93.00	\$0.00	
<i>Narrative: Review bankruptcy pleadings;</i>										
16620588	02719	Kaplan, John S.	6/13/2008	0.10	0.00	W		\$46.50	\$0.00	
<i>Narrative: Review bankruptcy notices;</i>										
16645406	02719	Kaplan, John S.	6/17/2008	0.20	0.00	W		\$93.00	\$0.00	
<i>Narrative: Review bankruptcy pleadings;</i>										
16645405	02719	Kaplan, John S.	6/18/2008	1.00	0.00	W		\$465.00	\$0.00	
<i>Narrative: Review sale pleadings and motion to shorten time on sale procedures; email to J. Melby and J. Koeberle regarding same;</i>										
16645404	02719	Kaplan, John S.	6/19/2008	0.20	0.00	W		\$93.00	\$0.00	
<i>Narrative: Review bankruptcy pleadings;</i>										
16674128	02719	Kaplan, John S.	6/25/2008	0.90	0.00	W		\$418.50	\$0.00	
<i>Narrative: Review bankruptcy pleadings regarding sale and assumption of leases and timing of information to landlords and objections; docket deadlines regarding same;</i>										
16674125	02719	Kaplan, John S.	6/26/2008	0.30	0.00	W		\$139.50	\$0.00	
<i>Narrative: Review bankruptcy pleadings;</i>										
16674126	02719	Kaplan, John S.	6/27/2008	1.10	0.00	W		\$511.50	\$0.00	
<i>Narrative: Review bankruptcy pleading and adequate assurance package; email to client regarding same; emails and telephone conference with Los Angeles office regarding likely filing of objection to sale motion regarding cure amount;</i>										
16674127	02719	Kaplan, John S.	6/28/2008	0.70	0.00	W		\$325.50	\$0.00	
<i>Narrative: Emails with J. Melby regarding "adequate assurance" from potential assignee; brief research regarding adequate assurance issues;</i>										

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<b>Total for Matter:</b>	<b>5.50</b>	<b>0.00</b>	<b>\$2,557.50</b>	<b>\$0.00</b>
<hr/>				
<b>Total for Client:</b>	<b>5.50</b>	<b>0.00</b>	<b>\$2,557.50</b>	<b>\$0.00</b>
<hr/>				
<b>Report Total:</b>	<b>5.50</b>	<b>0.00</b>	<b>\$2,557.50</b>	<b>\$0.00</b>

**Status:** W = WIP, P = WIP on Prebill, B = Billed

**Base Amount:** Matter Value

**Billed Amount:** Total amount billed to the client/matter number. It does not include premiums or discounts. WIP (not on prebill) will have a zero "billed" amount.

**Disclaimer:**

This is not a formal bill and should not be sent to a client. It is an informational report for your convenience. It reflects all time that has been updated and recorded in our accounting system as of today. Time entry may be delayed and not yet reflected on this report. This information has not been reviewed by the service lawyer for accuracy.

EXHIBIT

“D”

**BELLEVUE SQUARE LEASE**

**BETWEEN**

**BELLEVUE SQUARE MANAGERS, INC.,  
a Washington corporation  
(Landlord)**

**AND**

**eSTYLE, INC., a Delaware corporation  
(Tenant)**

**(Trade Name: babystyle)**

**Space 168**

(c) Other Remedies. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Washington.

(d) Notwithstanding anything in this Section 16.2 to the contrary, Landlord shall use reasonable efforts to relet the Leased Premises to prospective tenants; provided, however, that nothing contained in this Section 16.2 shall require Landlord to (i) accept any tenant who does not meet Landlord's then current standards for occupancy in the Shopping Center or who is in any way unsatisfactory to Landlord as determined by Landlord in its reasonable discretion, (ii) relet the Leased Premises on terms which are not satisfactory to Landlord in its sole discretion, or (iii) give preference to the reletting of the Leased Premises if Landlord has other space available in the Shopping Center.

### **16.3 Legal Expenses.**

If either party is required to bring or maintain any action (including assertion of any counterclaim or cross claim, or claim in a proceeding in bankruptcy, receivership or any other proceeding instituted by a party hereto or by others), or otherwise refers this Lease to an attorney for the enforcement of any of the covenants, terms or conditions of this Lease, the prevailing party, or the non-breaching party if no action is filed or no decision rendered regarding the merits of the action, shall, in addition to all other remedies provided herein, receive from the other party all the costs (including reasonable attorneys' fees) incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

### **16.4 Bankruptcy.**

(a) Assumption of Lease. If Tenant becomes a Debtor under Chapter 7 of the Bankruptcy Code ("Code") or a petition for reorganization or adjustment of debts is filed concerning Tenant under Chapters 11 or 13 of the Code, or a proceeding is filed under Chapter 7 of the Code and is transferred to Chapters 11 or 13 of the Code, the Trustee or Tenant, as Debtor and as Debtor-In-Possession, may not elect to assume this Lease unless, at the time of such assumption, the Trustee or Tenant has:

(1) Cured all defaults under the Lease and paid all sums due and owing under the Lease or provided Landlord with "Adequate Assurance" (as defined below) that: (A) within ten (10) days from the date of such assumption, the Trustee or Tenant will completely pay all sums due and owing under this Lease and compensate Landlord for any actual pecuniary loss resulting from any existing default or breach of this Lease, including without limitation, Landlord's reasonable costs, expenses, accrued interest, and attorneys' fees incurred as a result of the default or breach; (B) within twenty (20) days from the date of such assumption, the Trustee or Tenant will cure all non-monetary defaults and breaches under this Lease; and (C) the assumption will be subject to all of the provisions of this Lease.

(a) Certification. Tenant certifies that:

(i) It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and

(ii) It is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity, or nation.

(b) Indemnification. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification

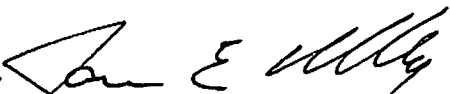
IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LANDLORD

TENANT

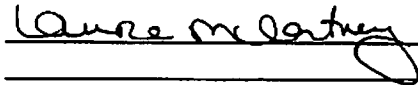
BELLEVUE SQUARE MANAGERS, INC.

eStyle, Inc., a Delaware corporation

By   
~~E. Kemper Freeman, Jr.~~ JAMES E. MELBY  
~~President~~ VICE PRESIDENT

By   
President

By \_\_\_\_\_  
Richard S. Sprague  
Secretary

By   
Secretary