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6 Attorneys for Creditor Bellevue Square
Managers, Inc.

7
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

SUPPLEMENTAL DECLARATION OF
JOHN S. KAPLAN REGARDING UPDATED
CURE AMOUNT OF BELLEVUE SQUARE
MANAGERS, INC.

Hearing Date: August 12, 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 This Declaration updated the attorneys’ fees information contained in my Declaration of July 2,
26 2008.
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2. Attached hereto as Exhibit A is a true and correct copy of a summary of Perkins Coie's legal invoices to Bellevue Square with respect to this bankruptcy case, totaling \$5,533.88.

3. Attached hereto as Exhibit B is a true and correct copy of a summary of and detail of Perkins Coie's "work in process" for this matter through July 25, 2008, totaling \$17,828.00, which has not yet been billed to Bellevue Square.

4. Attached hereto as Exhibit C are true and correct copies of pages from the lease currently in effect between Bellevue Square and the debtor, containing Sections 16.3 and 16.4.

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

Executed this 30th 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: 04/01/08 Ending Date: 7/28/2008

Matter: 0317 babystyle - Lease

Invoice #	Date	Fees	Disb	Premium Discount	Invoice Total	Status	Inv. Copy
3779464	7/15/2008	\$2,836.50	\$1.68	\$0.00	\$2,838.18	Outstanding	
3765600	6/16/2008	\$1,488.00	\$0.20	\$0.00	\$1,488.20	Settled	
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	
Total for Matter		\$5,532.00	\$1.88	\$0.00	\$5,533.88		
TOTAL FOR CLIENT		\$5,532.00	\$1.88	\$0.00	\$5,533.88		

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 A Page 3

EXHIBIT

“B”



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

Client: 33120 Bellevue Square LLC (Pre-Reorganization)

additional search criteria: Matter Code: 0317 Beginning Date: 07/01/08 Ending Date: 7/30/2008

Matter	Matter Name	Fees	Disb	Total	Last Time Entry
0317	babystyle - Lease	\$17,828.00	\$23.04	\$17,851.04	7/25/2008
Total WIP		\$17,828.00	\$23.04	\$17,851.04	

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: 7/1/08 Ending Date: 7/30/2008 Status: 'W','P','B'

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
16690922	02719	Kaplan, John S.	7/1/2008	0.70	0.00	W		\$325.50	\$0.00	

Narrative: Work on objection to adequate assurance and cure amount;

16701656	08172	Liao, Gabriel	7/1/2008	0.20	0.00	W		\$89.00	\$0.00	
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Narrative: Telephone conference with J. Kaplan regarding objection;

16690921	02719	Kaplan, John S.	7/2/2008	5.90	0.00	W		\$2,743.50	\$0.00	
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Narrative: Draft objection to cure amount and adequate assurance; draft supporting declarations of D. Polonis; emails with D. Polonis, P. Ho, Z. Nicol and LA office regarding same; retrieve fee information and executed lease and organize exhibits to declaration; leave message for and telephone conference and emails with debtor's counsel regarding client's objections and need for better security from proposed assignee; messages and emails with J. Melby regarding same; follow-up email to debtor's and buyer's counsel; review additional bankruptcy pleadings, including revised purchase and sale agreement; emails to client regarding same;

16701655	08172	Liao, Gabriel	7/2/2008	1.60	0.00	W		\$712.00	\$0.00	
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Narrative: Review limited objection and supporting declarations; review and reply to emails regarding same; telephone conference with J. Kaplan regarding same; oversee filing of same;

16707008	08583	Hultsman, Vickie L.	7/2/2008	0.50	0.00	W		\$107.50	\$0.00	
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Narrative: Review emails from J. Kaplan and file regarding final Lease documents; prepare emails to J. Kaplan regarding same;

16724303	02719	Kaplan, John S.	7/7/2008	0.20	0.00	W		\$93.00	\$0.00	
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Narrative: Review additional pleadings; draft follow-up email to K. Schreck and R. Dallain;

16724785	08172	Liao, Gabriel	7/8/2008	3.00	0.00	W		\$1,335.00	\$0.00	
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Narrative: Attend continued hearing on sales proceedings and assumption of leases; draft email report to J. Kaplan; review email from debtor's counsel regarding hearing;

16724301	02719	Kaplan, John S.	7/9/2008	0.70	0.00	W		\$325.50	\$0.00	
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Narrative: Emails with G. Liao and purchaser's counsel; draft follow-up email to client regarding settlement strategy and open issues for further objection to adequate assurance;

16724784	08172	Liao, Gabriel	7/9/2008	1.50	0.00	W		\$667.50	\$0.00	
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Narrative: Review emails regarding status of hearing; telephone conference with J. Kaplan regarding objection to debtor's sale motion; telephone conference with purchaser's counsel regarding assurance issues; review email regarding same; review adequate assurance package; review email regarding same; draft email to J. Kaplan;

16724304	02719	Kaplan, John S.	7/10/2008	0.40	0.00	W		\$186.00	\$0.00	
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Narrative: Telephone conference and follow-up emails with G. Liao regarding status of negotiations regarding letter of credit and objection to adequate assurance;

16724787	08172	Liao, Gabriel	7/10/2008	9.60	0.00	W		\$4,272.00	\$0.00	
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Narrative: Review purchaser's memorandum and declarations regarding adequate assurance; review and reply to emails from client; telephone conference with landlord's attorney; telephone conference with client regarding adequate assurance issues; telephone conference with J. Kaplan regarding same; draft objection regarding adequate assurance;

16724302 02719 Kaplan, John 7/11/2008 0.80 0.00 W \$372.00 \$0.00
S.

Narrative: Review and comment on draft additional objection regarding adequate assurance; follow-up telephone conference with G. Liao regarding same;

16724786 08172 Liao, Gabriel 7/11/2008 1.20 0.00 W \$534.00 \$0.00

Narrative: Review comments from J. Kaplan on supplemental objection; revise draft of supplemental objection; oversee filing of same; review and reply to email from purchaser's counsel; review and reply to voice mail from other landlord's counsel;

16747826 02719 Kaplan, John 7/14/2008 1.70 0.00 W \$790.50 \$0.00
S.

Narrative: Review additional pleadings regarding adequate assurance; telephone conference with G. Liao regarding status and strategy for July 15 hearing; email to client regarding same and status of settlement negotiations and acceptable parameters for letter of credit;

16750424 08172 Liao, Gabriel 7/14/2008 1.30 0.00 W \$578.50 \$0.00

Narrative: Draft email to J. Kaplan regarding upcoming hearing; review reply; review purchaser's supplemental papers; review objections filed by other landlords, draft email regarding same to J. Kaplan; telephone conference with J. Kaplan regarding objection; review pleadings relating to objection;

16747827 02719 Kaplan, John 7/15/2008 1.90 0.00 W \$883.50 \$0.00
S.

Narrative: Emails and message from J. Melby regarding hearing strategy and justification for 12-month letter of credit; review emails from various counsel regarding proposed order and scope of letter of credit; telephone conferences and emails with G. Liao in preparation for hearing; telephone conferences with G. Liao and J. Melby during and after hearing; review lease and proposed order for radius clause issues regarding additional rents;

16750425 08172 Liao, Gabriel 7/15/2008 6.00 0.00 W \$2,670.00 \$0.00

Narrative: Telephone conference with J. Kaplan; review email from J. Kaplan regarding adequate assurance; review multiple emails regarding proposed order; review pleadings and prepare for hearing; attend hearing on adequate assurance; review revised draft of proposed order regarding assignment of lease and adequate assurance;

16750423 08172 Liao, Gabriel 7/16/2008 0.50 0.00 W \$222.50 \$0.00

Narrative: Review email regarding objection to proposed order; review entered order regarding sale and adequate assurance; calendar hearing for cure amount objections;

16747829 02719 Kaplan, John 7/18/2008 0.50 0.00 W \$232.50 \$0.00
S.

Narrative: Review final form of order approving sale and assumption of leases and docket deadlines regarding cure amount; review file information regarding same and exchange follow-up emails with Z. Nicol and P. Ho;

16747828 02719 Kaplan, John 7/20/2008 0.50 0.00 W \$232.50 \$0.00
S.

Narrative: Review cure accounting and updated invoices and begin preparing updated cure statement;

16773653 02719 Kaplan, John 7/21/2008 0.20 0.00 W \$93.00 \$0.00
S.

Narrative: Email with Z. Nicol regarding cure amount;

16765096 08583 Hultsman, 7/24/2008 0.20 0.00 W \$43.00 \$0.00
Vickie L.

Narrative: Review emails from J. Kaplan and C. Gilbert regarding assignment;

16767715 08172 Liao, Gabriel 7/24/2008 0.30 0.00 W \$133.50 \$0.00

Narrative: Review voice mail message from J. Kaplan regarding updated objection; draft email regarding same; review emails regarding form of guaranty and assignment documents;

16773654 02719 Kaplan, John 7/24/2008 0.20 0.00 W \$93.00 \$0.00
S.

Exhibit 3 Page 6

Time Entries Report

Narrative: Emails regarding guaranty and lease assumption and assignment agreement;

16773655	02719	Kaplan, John S.	7/25/2008	0.20	0.00	W	\$93.00	\$0.00
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Narrative: Review proposed guaranty;

Total for Matter:				39.80	0.00		\$17,828.00	\$0.00
Total for Client:				39.80	0.00		\$17,828.00	\$0.00
Report Total:				39.80	0.00		\$17,828.00	\$0.00

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 B Page 7

EXHIBIT

“C”

(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.

(2) For purposes of this Section, Landlord and Tenant acknowledge that, in the context of a bankruptcy proceeding involving Tenant, at a minimum, "Adequate Assurance" shall mean: (A) the Trustee or Tenant has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that the Trustee or Tenant will have sufficient funds to fulfill the obligations of Tenant under this Lease, and to keep the Leased Premises fully stocked with merchandise and properly staffed with sufficient employees to conduct a fully-operational, actively promoted business in the Leased Premises; (B) the Bankruptcy Court shall have entered an Order segregating sufficient cash payable to Landlord and/or the Trustee or Tenant shall have granted a valid and perfected first lien and security interest and/or mortgage in property of Trustee or Tenant acceptable as to value and kind to Landlord, to secure to Landlord the obligation of the Trustee or Tenant to cure the monetary and/or non-monetary defaults and breaches under this Lease within the time periods set forth above; and (C) the Trustee or Tenant, at the very minimum, shall deposit a sum equal to two (2) months' Minimum Rent to be held by Landlord (without any allowance for interest thereon) to secure Tenant's future performance under the Lease.

(b) Assignment of Lease. If the Trustee or Tenant has assumed the Lease pursuant to the provisions of this Section for the purpose of assigning Tenant's interest hereunder to any other person or entity, such interest may be assigned only after the Trustee, Tenant or the proposed assignee have complied with all of the terms, covenants and conditions of this Lease, including, without limitation, those with respect to Minimum Rent, Percentage Rent and Other Charges, and the use of the Leased Premises by the proposed assignee shall be only as permitted in Section 1.1 above; Landlord and Tenant acknowledging that such terms, covenants and conditions are commercially reasonable in the context of a bankruptcy proceeding of Tenant. Any person or entity to which this Lease is assigned pursuant to the provisions of the Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such assignee shall upon request execute and deliver to Landlord an instrument confirming such assignment. Without limiting the requirements or application of this Section, this Lease shall be considered a lease of real property in a shopping center, as contemplated by 11 U.S.C. Section 365(b)(3).

(c) Adequate Protection. Upon the filing of a petition by or against Tenant under the Code, Tenant, as Debtor and as Debtor-In-Possession, and any Trustee who may be appointed agree to adequately protect Landlord as follows: (1) to perform each and every obligation of Tenant under this Lease until such time as this Lease is either rejected or assumed by Order of the Bankruptcy Court; (2) to pay all monetary obligations required under this Lease, including without limitation, the payment of Minimum Rent, Percentage Rent, additional rent and Other Charges payable hereunder, which is considered reasonable compensation for the use and occupancy of the Leased Premises; (3) provide Landlord a minimum of thirty (30) days' prior written notice, unless a shorter period is agreed to in writing by the parties, of any proceeding relating to any assumption of this Lease or any

intent to abandon the Leased Premises, which abandonment shall be deemed a rejection of this Lease; and (4) to perform to the benefit of Landlord otherwise required under the Code. The failure of Tenant to comply with the above shall result in an automatic rejection of this Lease.

16.5 Remedies Cumulative - Waiver.

Landlord's remedies hereunder are cumulative and Landlord's exercise of any right or remedy due to a default or breach by Tenant shall not be deemed a waiver of, or to alter, affect or prejudice any right or remedy which Landlord may have under this Lease or by law. Neither the acceptance of rent, nor any other act or omission of Landlord at any time or times after the happening of any event authorizing the termination or forfeiture of this Lease, shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Landlord of its right to terminate or forfeit this Lease, upon the written notice provided for herein, at any time that cause for termination or forfeiture may exist, or be construed so as at any time to stop Landlord from promptly exercising any other option, right or remedy that it may have under any term or provision of this Lease, at law or in equity.

17. DEFAULT BY LANDLORD.

Landlord shall not be in breach or default under this Lease unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event shall such time be less than thirty (30) days after written notice by Tenant to Landlord and to the holder of any mortgage or deed of trust covering the Leased Premises whose name and address shall have theretofore been furnished to Tenant in writing. The notice shall specify wherein Landlord has failed to perform such obligation. Notwithstanding the foregoing, if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in breach or default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Tenant further agrees not to invoke any of its remedies under this Lease until said thirty (30) days have elapsed. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's breach or default and Tenant's remedies shall be limited to an award of monetary damages. Upon any such default by Landlord, Tenant may exercise any or all of its rights and remedies provided under this Lease in law or at equity.

18. RECONSTRUCTION.

18.1 Insured Loss.

Subject to Section 18.2 below, if the Leased Premises are damaged by perils covered by Landlord's insurance coverage and the proceeds therefrom are sufficient to cover the cost of repairs and are made available to Landlord for the purpose of repairing such damage, Landlord agrees to forthwith repair the same, and this Lease shall remain in full force and