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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X
In re : Chapter 11
CRABTREE & EVELYN, LTD., :
Debtor. : Case No. 09- _____ (___)
----- X

**APPLICATION OF THE DEBTOR FOR ORDER AUTHORIZING
RETENTION AND APPOINTMENT OF EPIQ BANKRUPTCY SOLUTIONS, LLC
AS CLAIMS AGENT FOR THE CLERK OF THE BANKRUPTCY COURT
UNDER 28 U.S.C. § 156(c) AND GRANTING RELATED RELIEF**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

The debtor and debtor in possession in the above-captioned case (the “Debtor”)¹ hereby applies (the “Application”) for entry of an order, pursuant to section 156(c) of title 28 of the United States Code approving the Debtor’s agreement with Epiq Bankruptcy Solutions, LLC (“Epiq”) and appointing Epiq as claims and noticing agent (“Claims Agent”) for the Clerk (defined below). In support of the Application, the Debtor relies upon and incorporates by reference the Declaration of Daniel C. McElhinney in Support of the Application of the Debtor For Order Authorizing Retention and Appointment of Epiq Bankruptcy Solutions, LLC as Claims Agent For the Clerk of the Bankruptcy Court Under 28 U.S.C. §156(c) and Granting

¹ The last four digits of the Debtor’s federal tax identification number are 1685.

Related Relief (the “McElhinney Declaration”) attached hereto as **Exhibit A**, and the Declaration of Stephen W. Bestwick in Support of First Day Pleadings. In further support of the Application, the Debtor, by and through its undersigned counsel, respectfully represents:

BACKGROUND

General

1. On the date hereof (the “Petition Date”), the Debtor commenced with this Court a voluntary case under the Bankruptcy Code. The Debtor is authorized to operate its businesses and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory creditors’ committee has been appointed in this chapter 11 case.

The Debtor’s Businesses

2. Crabtree & Evelyn has evolved from a small, entrepreneurial business, to a company with worldwide manufacturing and distribution capabilities, worldwide distribution channels and 126 retail locations in the United States, making it well-known and respected for its English-style elegance. Through a multi-channel sales strategy, including sales through retail, wholesale, export, affiliate and internet channels, the Debtor manufactures and distributes its products worldwide.

3. Founded as a purveyor of fine soaps from around the world, products were first sold under the Crabtree & Evelyn name starting in approximately 1972.² During nearly four decades Crabtree & Evelyn has expanded its product offerings from fine soaps to include personal care products and related accessories, fragrances, comestibles (*i.e.*, food products including cookies, teas and jams), products for the home and gift arrangements. The Debtor also

² The name of the Debtor is inspired from (i) the crabapple tree, the original species from which all cultivated apple trees have derived, and (ii) John Evelyn, the seventeenth century renaissance Englishman, who wrote one of the first works on conservation of forests and timber.

sells Vera Bradley (purses and related accessories) products in its retail store locations. Crabtree & Evelyn manufactures and distributes more than twenty-five product lines, including LaSource®, Gardeners, India Hicks Island Living® and Naturals and its products have been frequently mentioned in numerous magazines, including Vogue, Glamour, and Lucky. In 1977, Crabtree & Evelyn opened its first retail store, and its retail business has gradually expanded to include a manufacturing and distribution facility, as well as 126 stores in the United States. In 1996, Kuala Lumpur Kepong Berhad purchased 100 percent of the equity of the Debtor. The Debtor is incorporated in Connecticut, and its headquarters, distribution center, manufacturing facility, and warehouse are located in Woodstock, Connecticut.

4. The Debtor's primary assets include inventory, contract rights, intellectual property rights, and accounts receivable for goods sold. The Debtor also owns its headquarters, manufacturing facility, distribution center and warehouse in Woodstock, Connecticut. In addition, the Debtor leases a significant number of retail stores located in 34 states.

JURISDICTION

5. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are 28 U.S.C. § 156(c), Bankruptcy Rule 2002, and Rule 5075-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules").

RELIEF REQUESTED

6. By this Application, the Debtor seeks entry of an order authorizing it to retain and employ Epiq as claims and noticing agent (the "Claims Agent") to, among other tasks, (i) serve as the noticing agent to mail notices to the estate's creditors and parties in interest, (ii)

provide computerized claims, objection, soliciting and balloting database services, and (iii) provide expertise, consultation, and assistance in claim and ballot processing and other administrative information with respect to the Debtor's bankruptcy case, pursuant to the provisions of the Standard Bankruptcy Services Agreement (the "Services Agreement"), attached hereto as **Exhibit B**.

BASIS FOR RELIEF

7. The Debtor has many creditors, potential creditors, and parties in interest to whom the Debtor and/or the office of the Clerk of the Bankruptcy Court for the Southern District of New York (the "Clerk") must serve various notices, pleadings, and other documents filed in this case. Such parties in interest will produce numerous proofs of claim that must be docketed and administered. The size of the Debtor's creditor body makes it impracticable for the Debtor to, without assistance, undertake the task of sending notices and dealing with claims. Moreover, upon information and belief, the Clerk is not equipped to efficiently and effectively serve notice on the large number of creditors and parties in interest and docket claims during the Debtor's chapter 11 case.

8. After solicitation and consideration of competing bids to assist the Debtor with sending notices and managing the claims process, and following arms' length negotiations, the Debtor selected Epiq. In light of the number of anticipated claimants and parties in interest, the Debtor respectfully submits that appointing Epiq, an independent third party, to act as Claims Agent will provide the most effective and efficient means, and relieve the Debtor and/or the Clerk of the administrative burden of noticing, administering claims, and soliciting and balloting votes.

QUALIFICATIONS

9. Epiq is a claims management and data processing firm that specializes in chapter 11 administration, consulting, and analysis, including noticing, claims processing, voting, and other administrative tasks in chapter 11 cases. The Debtor wishes to engage Epiq to, among other things, establish and maintain the creditor matrix, send out certain designated notices, receive and docket claims, and maintain claims files and a claims and voting register. The Debtor believes that such assistance will expedite service of notices, streamline the claims administration process, and permit the Debtor to focus on its reorganization efforts.

10. The Debtor believes that Epiq is well qualified to provide such services, expertise, consultation, and assistance based on its expertise in the industry and competitive fee structure. As set forth in the McElhinney Declaration, Epiq has assisted and advised numerous chapter 11 debtors in connection with noticing, claims administration and reconciliation, and the administration of plan votes. Epiq has provided identical or substantially similar services in numerous other chapter 11 cases, including Lehman Brothers Holdings Inc., et al., Case No 08-13555 (JMP) (Bankr. S.D.N.Y.); Aegis Mortgage Corp., et al., Case No. 07-11119 (RSL) (Bankr. D. Del.); Global Home Products LLC, Case No. 06-10340 (Bankr. D. Del.); Hayes Lemmerz Int'l, Inc., Case No. 01-11508 (Bankr. D. Del.); Worldcom, Inc., Case No. 02-13533 (Bankr. S.D.N.Y.); and In re Enron Corp., Case No. 01-16034 (Bankr. S.D.N.Y.), among others.

APPLICABLE AUTHORITY

11. The engagement of Epiq as the Claims Agent is expressly authorized under 28 U.S.C. § 156(c), Bankruptcy Rule 2002 and Local Rule 5075-1(a). Under 28 U.S.C. § 156(c), this Court is authorized to utilize facilities or services, other than those of the Clerk's Office, to administer bankruptcy cases including matters such as providing required notices,

record-keeping, and claims docketing assistance. See 28 U.S.C. § 156(c). Similarly, Bankruptcy Rule 2002 authorizes the Court to direct some person other than the Clerk of the Court to give notices required under Bankruptcy Rule 2002. See Fed. R. Bankr. P. 2002(f). Moreover, Local Rule 5075-1(a) provides that the Court may direct the use of agents to file Court records, to issue notices, to maintain case dockets, and to maintain and disseminate other administrative information. See S.D.N.Y. LR 5075-1(a).

12. Courts have routinely granted to large business debtors the same or substantially similar relief to that requested in this Application. See, e.g., In re Dana Corp., et al., Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Mar. 3, 2006); In re Musicland Holding Corp., et al., Case No. 06-10064 (SMB) (Bankr. S.D.N.Y. Feb. 22, 2006); In re Refco Inc., et al., Case No. 05-60006 (RDD) (Bankr. S.D.N.Y. Mar. 27, 2006); In re Delphi Corp., et al., Case No. 05-44481 (RDD) (Bankr. S.D.N.Y. Nov. 4, 2005); In re Winn-Dixie Stores, Inc., et al., Case No. 05-11063 (RDD) (Bankr. S.D.N.Y. Mar. 4, 2005).

DISINTERESTEDNESS

13. Although the Debtor does not propose to retain Epiq under section 327 of the Bankruptcy Code, to the best of the Debtor's knowledge, and as disclosed in the McElhinney Declaration, the members and employees of Epiq do not hold or represent an interest materially adverse to the Debtor's estate with respect to any matter upon which Epiq is to be engaged.

14. To the best of the Debtor's knowledge, Epiq is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that its members and employees

- (a) are not creditors, equity security holders or insiders of the Debtor; and
- (b) are not and were not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the Debtor.

15. As set forth in the McElhinney Declaration:
- (a) Epiq, in its capacity as Claims Agent, is not and will not be employed by the U.S. government or any federal agency (collectively, the “Government”) and will not seek any compensation from the Government;
 - (b) By accepting employment in this chapter 11 case, Epiq waives any right to receive compensation from the Government;
 - (c) In its capacity as Claims Agent, Epiq is not an agent of the Government and is not acting on behalf of the Government;
 - (d) Epiq will not misrepresent any fact to the public; and
 - (e) Epiq will not employ any past or present employees of the Debtor in connection with its work as the Claims Agent in this chapter 11 case.

SCOPE OF SERVICES

16. The Debtor proposes to retain Epiq on the terms and conditions set forth in the Services Agreement. Under the Services Agreement, Epiq may perform the following services, as the Claims Agent, at the request of the Debtor or the Clerk:

- (a) Establish and maintain the creditor matrix;
- (b) Prepare and serve required notices in this chapter 11 case, including, but not limited to:
 - (i) A notice of commencement of this chapter 11 case and the initial meeting of creditors under section 341(a) of the Bankruptcy Code;
 - (ii) A notice of the claims bar date;
 - (iii) Notices of objections to claims;
 - (iv) Notices of any hearings on a disclosure statement and confirmation of a plan of reorganization;
 - (v) Such other miscellaneous notices as the Debtor or the Court may deem necessary or appropriate for an orderly administration of this chapter 11 case; and
 - (vi) Assist in the publication of required notices, as necessary;

- (c) Within five (5) business days after the service of a particular notice, prepare for filing with the Clerk an affidavit of service that includes (i) a copy of the notice served, (ii) an alphabetical list of persons on whom the notice was served, along with their addresses, and (iii) the date and manner of service;
- (d) Assist the Debtor in filing its Schedules of Assets and Liabilities, Schedules of Executory Contracts and Unexpired Leases, and Statements of Financial Affairs;
- (e) Provide the filing location for all proofs of claim and proofs of interest, and receive and maintain copies of all proofs of claim and proofs of interest filed in this case;
- (f) Maintain official claims registers in this case by docketing all proofs of claim and proofs of interest in a claims database that includes the following information for each such claim or interest asserted:
 - (i) The name and address of the claimant or interest holder and any agent thereof if the proof of claim or proof of interest was filed by an agent;
 - (ii) The date the proof of claim or proof of interest was received by the Court;
 - (iii) The claim number assigned to the proof of claim or proof of interest; and
 - (iv) The asserted amount and classification of the claim;
- (g) Implement necessary security measures to ensure the completeness and integrity of the claims registers;
- (h) Transmit to the Clerk a copy of the claims registers on a weekly basis, unless requested by the Clerk on a more or less frequent basis;
- (i) Maintain a current mailing list for all entities that have filed proofs of claim or proofs of interest and make such list available to the Clerk or any party in interest upon request;
- (j) Provide access to the public for examination of copies of the proofs or claim or proofs of interest filed in this case without charge during regular business hours;

- (k) Create and maintain a public access website setting forth pertinent case information and allowing access to electronic copies of proofs of claim or proofs of interest;
- (l) Record all transfers of claims pursuant to Bankruptcy Rule 3001(e) and give notice of such transfers as required by Bankruptcy Rule 3001(e);
- (m) Comply with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders, and other requirements;
- (n) Assign temporary employees to process claims, as necessary;
- (o) Promptly comply with such further conditions and requirements as the Clerk or the Court may at any time prescribe;
- (p) Provide balloting, and solicitation services, including preparing ballots, producing personalized ballots, and tabulating creditor ballots on a daily basis;
- (q) Thirty days prior to the close of the case, an Order dismissing Epiq shall be submitted terminating the services of Epiq upon completion of its duties and responsibilities and upon the closing of the case; and
- (r) At the close of the case, box and transport all original documents, in proper format, as provided by the clerk's office, to the Federal Archives Record Administration, located at Central Plains Region, 200 Space Center Drive, Lee's Summit, MO 64064.

17. The fees to be charged by Epiq are set forth on the pricing schedule attached to the Services Agreement. In addition, before the Petition Date, the Debtor paid a retainer in the amount of \$25,000 to be applied in satisfaction of obligations incurred pursuant to the Services Agreement. The Debtor respectfully submits that the rates to be charged by Epiq for its services as Claims Agent are competitive and comparable to the rates charged by its competitors for similar services.

18. The Debtor requests authority to compensate and reimburse Epiq in accordance with the payment terms, procedures and conditions set forth in the Services

Agreement for services rendered and expenses incurred in connection with the Debtor's chapter 11 case.

19. The Debtor requests that the fees and expenses of Epiq incurred in performing the services described above be treated as an administrative expense of the Debtor's chapter 11 estate and be paid by the Debtor in the ordinary course of business.³ If any dispute arises between Epiq and the Debtor with respect to fees and expenses, such dispute shall be presented to the Court for resolution.

20. As part of the overall compensation payable to Epiq under the terms of the Services Agreement, the Debtor has agreed to certain limitations of liability and indemnification obligations as described in the Services Agreement.

21. For all of the foregoing reasons, the Debtor believes that the retention of Epiq as the Claims Agent is appropriate and in the best interests of the Debtor, and its estate and creditors.

NOTICE

22. The Debtor has served notice of this Motion on: (i) the Office of the United States Trustee for the Southern District of New York (Attn: Serene Nakano, Esq.), (ii) SilvermanAcampora LLP, 100 Jericho Quadrangle, Suite 300, Jericho, New York 11753 (Attn: Ronald J. Friedman, Esq.) as counsel for Kuala Lumpur Kepong Berhad, and (iii) the Debtor's 40 largest unsecured creditors. In light of the nature of the relief requested, the Debtor submits that no other or further notice need be provided.

23. No previous request for the relief sought herein has been made by the Debtor to this or any other court.

³ As an administrative agent and an adjunct to the Court, the Debtor does not believe that Epiq is a "professional" whose retention is subject to approval under section 327 of the Bankruptcy Code or whose compensation is subject to approval of the Court under sections 330 and 331 of the Bankruptcy Code.

WHEREFORE, the Debtor respectfully requests that the Court grant the relief requested herein and such other and further relief as is just and appropriate.

Dated: July 1, 2009
Woodstock, Connecticut

Respectfully submitted,
CRABTREE & EVELYN, LTD.

By: /s/ Stephen W. Bestwick
Name: Stephen W. Bestwick
Title: Acting President

EXHIBIT A

Declaration of Daniel C. McElhinney

[See Attached]

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11**
:
CRABTREE & EVELYN, LTD., : **Case No. 09-_____ (___)**
:
Debtor. :
:
----- x

**DECLARATION OF DANIEL C. MCELHINNEY IN SUPPORT OF
APPLICATION OF THE DEBTOR FOR ORDER AUTHORIZING
RETENTION AND APPOINTMENT OF EPIQ BANKRUPTCY SOLUTIONS, LLC AS
CLAIMS AGENT FOR THE CLERK OF THE BANKRUPTCY COURT
UNDER 28 U.S.C. §156(c) AND GRANTING RELATED RELIEF**

I, Daniel C. McElhinney, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am the Executive Director of Epiq Bankruptcy Solutions, LLC (“Epiq”), which maintains an office at 757 Third Avenue, New York, NY 10017 and I am authorized to submit this Declaration on behalf of Epiq. I submit this Declaration in Support of the Application of the Debtor For Order Authorizing Retention and Appointment of Epiq Bankruptcy Solutions, LLC as Claims Agent For the Clerk of the Bankruptcy Court Under 28 U.S.C. §156(c) and Granting Related Relief (the “Application”).¹ Except as otherwise noted, I have personal knowledge of the matters set forth herein.

2. Epiq specializes in providing claims management and data processing services to chapter 11 debtors in connection with administration, reconciliation, and negotiation of claims and solicitation of votes to accept or reject plans of reorganization. Epiq also specializes and has expertise in serving as outside claims agent to the United States Bankruptcy

¹ Capitalized terms used herein by not defined herein shall have the meaning ascribed to such terms in the Application.

Court with respect to all aspects of claims administration, including docketing and storage of claims, maintenance of claims registers, and related noticing services.

3. As claims, noticing, soliciting and balloting agent in this case (the “Claims Agent”), the services Epiq proposes to render to the office of the Clerk of the Bankruptcy Court for the Southern District of New York (the “Clerk”) and the Debtor in accordance with the terms of the Services Agreement (as that term is defined in the Application) may include the following:

- (a) Establish and maintain the creditor matrix;
- (b) Prepare and serve required notices in this chapter 11 case, including:
 - (i) A notice of commencement of this chapter 11 case and the initial meeting of creditors under section 341(a) of the Bankruptcy Code;
 - (ii) A notice of the claims bar date;
 - (iii) Notices of objections to claims;
 - (iv) Notices of any hearings on a disclosure statement and confirmation of a plan of reorganization;
 - (v) Such other miscellaneous notices as the Debtor or the Court may deem necessary or appropriate for an orderly administration of this chapter 11 case; and
 - (vi) Assist in the publication of required notices, as necessary;
- (c) Within five (5) business days after the service of a particular notice, prepare for filing with the Clerk an affidavit of service that includes (i) a copy of the notice served, (ii) an alphabetical list of persons on whom the notice was served, along with their addresses, and (iii) the date and manner of service;
- (d) Assist the Debtor in filing its Schedules of Assets and Liabilities, Schedules of Executory Contracts and Unexpired Leases, and Statements of Financial Affairs;
- (e) Provide the filing location for all proofs of claim and proofs of interest; and receive and maintain copies of all proofs of claim and proofs of interest filed in this case;

- (f) Maintain official claims registers in this case by docketing all proofs of claim and proofs of interest in a claims database that includes the following information for each such claim or interest asserted:
 - (i) The name and address of the claimant or interest holder and any agent thereof if the proof of claim or proof of interest was filed by an agent;
 - (ii) The date the proof of claim or proof of interest was received by the Court;
 - (iii) The claim number assigned to the proof of claim or proof of interest; and
 - (iv) The asserted amount and classification of the claim;
- (g) Implement necessary security measures to ensure the completeness and integrity of the claims registers;
- (h) Transmit to the Clerk a copy of the claims registers on a weekly basis, unless requested by the Clerk on a more or less frequent basis;
- (i) Maintain a current mailing list for all entities that have filed proofs of claim or proofs of interest and make such list available to the Clerk or any party in interest upon request;
- (j) Provide access to the public for examination of copies of the proofs of claim or proofs of interest filed in this case without charge during regular business hours;
- (k) Create and maintain a public access website setting forth pertinent case information and allowing access to electronic copies of proofs of claim or proofs of interest;
- (l) Record all transfers of claims pursuant to Bankruptcy Rule 3001(e) and give notice of such transfers as required by Bankruptcy Rule 3001(e);
- (m) Comply with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders, and other requirements;
- (n) Assign temporary employees to process claims, as necessary;
- (o) Promptly comply with such further conditions and requirements as the Clerk or the Court may at any time prescribe;

- (p) Provide balloting and solicitation services, including preparing ballots, producing personalized ballots, and tabulating creditor ballots on a daily basis;
- (q) Thirty days prior to the close of the case, an Order dismissing Epiq shall be submitted terminating the services of Epiq upon completion of its duties and responsibilities and upon the closing of the case; and
- (r) At the close of the case, box and transport all original documents, in proper format, as provided by the clerk's office, to the Federal Archives Record Administration, located at Central Plains Region, 200 Space Center Drive, Lee's Summit, MO 64064.

4. Although the Debtor does not propose to retain Epiq under section 327 of the Bankruptcy Code, Epiq has nonetheless conducted a conflicts analysis and, to the best of its knowledge, Epiq neither holds nor represents an interest adverse to the Debtor's estate nor has a connection to the Debtor, its creditors or their related parties with respect to any matter for which Epiq will be employed. Epiq may have relationships with certain of the Debtor's creditors as vendors or in connection with cases in which Epiq serves or has served in a neutral capacity as claims and noticing agent for another chapter 11 debtor. To the best of my knowledge, such relationships are completely unrelated to this chapter 11 case. In addition, Epiq personnel may have relationships with some of the Debtor's creditors or other parties in interest. However, to the best of my knowledge, such relationships, to the extent they exist, are of a personal financial nature and completely unrelated to this chapter 11 case. Epiq has and will continue to represent clients in matters unrelated to this chapter 11 case. In addition, Epiq has had and will continue to have relationships in the ordinary course of its business with certain vendors, professionals and other parties in interest that may be involved in the Debtor's case in matters unrelated to this case.

5. To the best of my knowledge, Epiq is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that its members and employees

- (a) are not creditors, equity security holders or insiders of the Debtor; and
- (b) are not and were not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the Debtor.

6. On behalf of Epiq, I hereby represent that

- (a) Epiq, in its capacity as Claims Agent, is not and will not be employed by the U.S. government or any federal agency (collectively, the “Government”) and will not seek any compensation from the Government;
- (b) By accepting employment in this chapter 11 case, Epiq waives any right to receive compensation from the Government;
- (c) In its capacity as Claims Agent, Epiq is not an agent of the Government and is not acting on behalf of the Government;
- (d) Epiq will not misrepresent any fact to the public; and
- (e) Epiq will not employ any past or present employees of the Debtor in connection with its work as the Claims Agent in this chapter 11 case.

7. Epiq has assisted and advised numerous chapter 11 debtors in connection with noticing, claims administration and reconciliation, and the administration of plan votes. Epiq has provided identical or substantially similar services in other chapter 11 cases, including Lehman Brothers Holdings Inc., et al., Case No 08- 13555 (JMP) (Bankr. S.D.N.Y.) ; Aegis Mortgage Corp., et al., Case No. 07-11119 (RSL) (Bankr. D. Del.); Global Home Products LLC, Case No. 06-10340 (Bankr. D. Del.); Hayes Lemmerz Int’l, Inc., Case No. 01-11508 (Bankr. D. Del); Worldcom, Inc., Case No. 02-13533 (Bankr. S.D.N.Y.); and In re Enron Corp., Case No. 01-16034 (Bankr. S.D.N.Y.), among others.

8. Accordingly, I believe Epiq is well qualified to act as Claims Agent for the Debtor's chapter 11 case.

9. As compensation for its services, Epiq will charge the rates set forth in the pricing schedule attached to the Services Agreement. These rates are comparable to those charged by other providers of similar services and they are at least as favorable as the rates Epiq charges to other chapter 11 debtors for similar services.

10. Epiq will comply with all requests of the Clerk and follow the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c) and Local Rule 5075-1(a). In addition, Epiq has complied and will comply with all of its obligations and responsibilities under the Protocol for the Employment of Claims Agents, dated May 8, 2006, as may be amended, issued by the Clerk of the Court.

Executed on this 1st day of July, 2009

/s/ Daniel C. McElhinney
Daniel C. McElhinney

EXHIBIT B

Services Agreement

[See Attached]



EPIQ BANKRUPTCY SOLUTIONS, LLC

STANDARD BANKRUPTCY SERVICES AGREEMENT

Between Epiq Bankruptcy Solutions, LLC (formerly known as Bankruptcy Services LLC), a New York limited liability company ("Epiq") and Crabtree & Evelyn, Ltd. (the "Customer" or "Debtor"), dated as of June 22, 2009.

In consideration of the premises herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

General Terms and Conditions

1. Services.

In accordance with the charges, terms and conditions contained in this Agreement and in the schedule attached hereto (the "Agreement"), Epiq agrees to furnish Customer with computerized bankruptcy support services and bankruptcy administrative services according to the pricing schedule annexed hereto (the "Schedule"). This Schedule sets forth individual unit pricing for services provided by Epiq. The price listed for each service represents a bona fide proposal for that service and the Customer may accept separate Service components or may accept the Services listed in their entirety. Services will be provided when requested by the Customer. Services are mutually exclusive and are deemed delivered and accepted when provided by Epiq.

2. Term.

This Agreement shall become effective on the later of (i) the date of its acceptance by Epiq and (ii) the date of entry of an order by the Bankruptcy Court approving this Agreement (or such earlier date set by the Bankruptcy Court). **The Agreement shall remain in effect until terminated by the Customer on one (1) week's prior written notice received by Epiq and entry of an order of the Court discharging Epiq as claims agent or by Epiq upon three (3) month's prior written notice received by the Customer and entry of an order of the Court discharging Epiq as claims agent.**

3. Charges.

3.1 For services and materials furnished by Epiq under this Agreement, Customer shall pay the charges set forth in the schedule annexed hereto attached hereto and made a part of this Agreement. Epiq will bill Customer monthly. All invoices shall be due and payable within thirty (30) days of receipt.

3.2 Epiq reserves the right to reasonably increase its prices, charges and rates annually on January 2nd of each year. However, if such increases exceed 10%, Epiq will be required to give sixty (60) days prior written notice to Customer.

3.3 Customer agrees to pay Epiq for all reasonable out of pocket expenses including, without limitation, transportation, long distance communications, printing, postage and related items.

3.4 In addition to all charges for services and materials hereunder, Customer shall pay to Epiq all taxes, however designated, levied or based that are applicable to this Agreement or are measured directly by payments made under this Agreement and are required to be collected by Epiq or paid by Epiq to taxing authorities. This provision, includes but is not limited to, sales, use and excise taxes, but does not include personal property taxes or taxes based on net income.

3.5 In addition to all other charges for services and materials hereunder, Customer shall pay to Epiq any actual charges related to, arising out of or as a result of any Customer error or omission, as mutually agreed by Epiq and Customer. Such charges shall include but not be limited to re-runs and any additional clerical work billed at the Epiq then prevailing standard rates, supplies, long distance phone calls, travel expenses and overtime expenses for work chargeable at the rates set forth on the schedule annexed hereto.

3.7 In the event of termination due to Customer's default, Customer shall be liable for all amounts then owing.

3.8 Customer shall pay Epiq a retainer in the amount of \$25,000 to be applied immediately in satisfaction of any pre-petition obligations incurred pursuant to this agreement. Any amounts not applied pre-petition will be applied against post petition invoices for the services provided herein.

4. Confidentiality.

All of Customer's confidential data given to Epiq will be held in the strictest confidence in accordance with Epiq's existing procedures and will be safeguarded by Epiq at least to the same extent that Epiq safeguards data relating to its own business; provided, however, that if data is publicly available, was already in Epiq's possession or known to it, or was rightfully obtained by Epiq from a third party, Epiq shall bear no responsibility for disclosure. Customer agrees that Epiq shall not be liable for damages or losses of any nature whatsoever arising out of the unauthorized acquisition or use of any material supplied by Customer to Epiq in the performance of this Agreement.

5. Title to Property.

Epiq reserves all property rights in and to all materials, concepts, know-how, techniques, programs, systems and other information, including, without limitation, data processing programs, specifications, applications, routines, sub-routines, procedural manuals and documentation furnished or developed by Epiq for itself or for use by the Customer ("Property"). Charges paid by Customer do not vest in Customer any rights to the Property, it being expressly understood that the Property is made available to Customer under this Agreement solely for Customer's use during and in connection with each use of the Epiq equipment and services. Customer agrees not to copy or permit others to copy any of the Property.

6. Disposition of Data.

Any data, programs, storage media or other materials furnished by the Customer to Epiq in connection with this Agreement may be retained by Epiq until the services provided herein are paid for, or until this Agreement is terminated with the services provided herein having been paid for in full. Epiq shall dispose of the data and media in the manner requested by Customer. Customer agrees to pay Epiq for reasonable expenses incurred as a result of the disposition of the data or media. After giving Customer thirty (30) days advance notice, Epiq reserves the right to dispose of data or media maintained by Epiq for Customer if Customer has not utilized the services provided herein for a period of at least ninety (90) days or if Customer has not paid all charges due to Epiq.

7. Limitation of Liability, Warranty and Indemnity.

7.1 Customer is responsible for the accuracy of the programs and data it submits for processing to Epiq. Customer agrees to initiate and maintain backup files that would allow Customer to regenerate or duplicate all programs and data submitted by Customer to Epiq.

7.2 Customer agrees that Epiq makes no representations or warranties, express or implied, including but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

7.3 The Customer and Epiq shall each indemnify and hold the other, its affiliates and each of their respective officers, members, directors, agents, consultants and employees (each an "Indemnified Person") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and attorneys' fees) and expenses as incurred (collectively, "Losses"), to which any Indemnified Person may become subject or involved in any capacity arising out of or relating to this Agreement or Epiq's rendering of services pursuant hereto, regardless of whether any of such Indemnified Persons is a party thereto, other than Losses resulting from the Customer's or Epiq's gross negligence or willful misconduct. Without limiting the generality of the foregoing, "Losses" includes any liabilities resulting from claims by third persons against any Indemnified Person. The Customer and Epiq shall each notify the other in writing promptly of the commencement, institution, threat, or assertion of any claim, action or proceeding of which the Customer or Epiq, as applicable, is aware with respect to the Agreement or the services provided by Epiq under this Agreement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Customer or Epiq, and shall survive the termination of this Agreement until the expiration of all applicable statutes of limitation with respect to the Customer's or Epiq's liabilities.

8. General

8.1 No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding upon either party unless signed in writing by a duly authorized representative of both parties.

8.2 This Agreement may not be assigned by either party without the express written consent of the other, which consent shall not be unreasonably withheld. The services provided under this Agreement are for the sole benefit and use of Customer, and shall not be made available to any other persons.

8.3 This Agreement shall be governed by the laws of the State of New York, without regard to that state's provisions for choice of law.

8.4 The parties agree that this Agreement is the complete and exclusive statement of the agreement between the parties which supersedes all proposals or prior agreements, oral or written, and all other communications between the parties relating to the subject matter of this Agreement.

8.5 Notices to be given or submitted by either party to the other, pursuant to this Agreement, shall be sufficiently given or made if given or made in writing and sent by certified mail or by a nationally recognized courier service, with receipt of delivery, postage prepaid, and addressed as follows:

If to Epiq:

Epiq Bankruptcy Solutions, LLC
757 Third Avenue, Third Floor
New York, New York 10017
Attn: Ron Jacobs

If to Customer:

Crabtree & Evelyn, Ltd.
102 Peake Brook Road
P.O. Box 167
Woodstock, Connecticut 06281
Attn: Colleen Cording, Esq.

With a copy to:

Lawrence C. Gottlieb, Esq.
Cooley Godward Kronish LLP
The Grace Building
1114 Avenue of the Americas
New York, NY 10036-7798

8.6 Notices shall be deemed effective upon receipt or rejection.

8.7 This Agreement shall be subject to approval of the United States Bankruptcy Court for the Southern District of New York.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

EPIQ BANKRUPTCY SOLUTIONS, LLC



Name: Daniel C. McElhinney
Title: Executive Director

CRABTREE & EVELYN, LTD.

By: 

Name: Koh Han Seow
Title: Chief Financial Officer

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- x
In re : **Chapter 11**
:
CRABTREE & EVELYN, LTD., : **Case No. 09-_____ (___)**
:
Debtor. :
:
----- x

**ORDER AUTHORIZING RETENTION AND APPOINTMENT
OF EPIQ BANKRUPTCY SOLUTIONS, LLC AS CLAIMS AGENT
FOR THE CLERK OF THE BANKRUPTCY COURT
UNDER 28 U.S.C. §156(c) AND GRANTING RELATED RELIEF**

Upon the application (the “Application”)¹ of the above-captioned debtor and debtor in possession (the “Debtor”),² for an order, pursuant to 28 U.S.C. § 156(c), approving the agreement with Epiq Bankruptcy Solutions, LLC (“Epiq”) and appointing Epiq as claims and noticing agent (the “Claims Agent”); and upon the Declaration of Stephen W. Bestwick in Support of First Day Motions; and upon the Declaration of Daniel C. McElhinney in Support of the Application of the Debtor For Order Authorizing Retention and Appointment of Epiq Bankruptcy Solutions, LLC as Claims Agent For the Clerk of the Bankruptcy Court Under 28 U.S.C. §156(c) and Granting Related Relief filed with the Court concurrently herewith; and the Debtor having estimated that may be thousands of creditors in this chapter 11 case, many of which are expected to file proofs of claims, and it appearing that the receiving, docketing and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court being authorized under 28 U.S.C. §156(c) to utilize, at the Debtor’s expense, outside agents and facilities to provide notices to parties in title 11 cases and to receive, docket,

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

² The last four digits of the Debtor’s federal tax identification number are 1685.

maintain, photocopy and transmit proofs of claim; and the Court being satisfied that Epiq has the capability and experience to provide such services and that Epiq does not hold an interest adverse to the Debtor or its estate respecting the matters upon which it is to be engaged; and good and sufficient notice of the Application having been given; and no other or further notice being required; and it appearing that the employment of Epiq is in the best interests of the Debtor, its estate and creditors; and sufficient cause appearing therefor; it is hereby

ORDERED that the Application is granted to the extent provided herein; and it is further

ORDERED that the Debtor is authorized to enter into the Services Agreement, attached hereto as **Exhibit A**; and it is further

ORDERED that the Debtor is authorized to retain Epiq as of the Petition Date to perform the administrative, noticing and other services set forth in the Application and Services Agreement and to receive, maintain, record and otherwise administer the proofs of claim filed in this chapter 11 case; and it is further

ORDERED that Epiq is appointed as agent for the Clerk and custodian of court records and, as such, is designated as the authorized repository for all proofs of claim filed in this chapter 11 case and is authorized and directed to maintain official claims registers for the Debtor and to provide the Clerk with a certified duplicate thereof upon request by the Clerk; and it is further

ORDERED that Epiq is authorized to perform all of the services described in the Application and the Services Agreement, including, but not limited to, those related tasks to process the proofs of claim and maintain a claims register; and it is further

ORDERED that the Debtor is authorized to obtain a special post office box for the receipt of proofs of claim; and it is further

ORDERED that Epiq is authorized to take such other action to comply with all duties set forth in the Application; and it is further

ORDERED that the Debtor is authorized to compensate Epiq on a monthly basis, in accordance with the Services Agreement and without further order of the Court, upon the receipt of reasonably detailed invoices setting forth the services provided by Epiq in the prior month and the rates charged for each, and to reimburse Epiq for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation; and it is further

ORDERED that if this case converts to one under chapter 7, Epiq will continue to be paid for its services until the claims filed in the chapter 11 case have been completely processed; if claims agent representation is necessary in the converted chapter 7 case, Epiq will continue to be paid in accordance with 28 U.S.C. §156(c) under the terms set out herein; and it is further

ORDERED that in the event Epiq is unable to provide the services set out in this Order, Epiq will immediately notify the Clerk and Debtor's attorney and cause to have all original proofs of claim and computer information turned over to another claims agent with the advice and consent of the Clerk and Debtor's attorney; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order; and it is further

ORDERED that notice of the Application as provided herein shall be deemed good and sufficient notice of such Application.

Dated: _____, 2009
New York, New York

UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

Services Agreement

[See Attached]



EPIQ BANKRUPTCY SOLUTIONS, LLC

STANDARD BANKRUPTCY SERVICES AGREEMENT

Between Epiq Bankruptcy Solutions, LLC (formerly known as Bankruptcy Services LLC), a New York limited liability company ("Epiq") and Crabtree & Evelyn, Ltd. (the "Customer" or "Debtor"), dated as of June 22, 2009.

In consideration of the premises herein contained and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

General Terms and Conditions

1. Services.

In accordance with the charges, terms and conditions contained in this Agreement and in the schedule attached hereto (the "Agreement"), Epiq agrees to furnish Customer with computerized bankruptcy support services and bankruptcy administrative services according to the pricing schedule annexed hereto (the "Schedule"). This Schedule sets forth individual unit pricing for services provided by Epiq. The price listed for each service represents a bona fide proposal for that service and the Customer may accept separate Service components or may accept the Services listed in their entirety. Services will be provided when requested by the Customer. Services are mutually exclusive and are deemed delivered and accepted when provided by Epiq.

2. Term.

This Agreement shall become effective on the later of (i) the date of its acceptance by Epiq and (ii) the date of entry of an order by the Bankruptcy Court approving this Agreement (or such earlier date set by the Bankruptcy Court). **The Agreement shall remain in effect until terminated by the Customer on one (1) week's prior written notice received by Epiq and entry of an order of the Court discharging Epiq as claims agent or by Epiq upon three (3) month's prior written notice received by the Customer and entry of an order of the Court discharging Epiq as claims agent.**

3. Charges.

3.1 For services and materials furnished by Epiq under this Agreement, Customer shall pay the charges set forth in the schedule annexed hereto attached hereto and made a part of this Agreement. Epiq will bill Customer monthly. All invoices shall be due and payable within thirty (30) days of receipt.

3.2 Epiq reserves the right to reasonably increase its prices, charges and rates annually on January 2nd of each year. However, if such increases exceed 10%, Epiq will be required to give sixty (60) days prior written notice to Customer.

3.3 Customer agrees to pay Epiq for all reasonable out of pocket expenses including, without limitation, transportation, long distance communications, printing, postage and related items.

3.4 In addition to all charges for services and materials hereunder, Customer shall pay to Epiq all taxes, however designated, levied or based that are applicable to this Agreement or are measured directly by payments made under this Agreement and are required to be collected by Epiq or paid by Epiq to taxing authorities. This provision, includes but is not limited to, sales, use and excise taxes, but does not include personal property taxes or taxes based on net income.

3.5 In addition to all other charges for services and materials hereunder, Customer shall pay to Epiq any actual charges related to, arising out of or as a result of any Customer error or omission, as mutually agreed by Epiq and Customer. Such charges shall include but not be limited to re-runs and any additional clerical work billed at the Epiq then prevailing standard rates, supplies, long distance phone calls, travel expenses and overtime expenses for work chargeable at the rates set forth on the schedule annexed hereto.

3.7 In the event of termination due to Customer's default, Customer shall be liable for all amounts then owing.

3.8 Customer shall pay Epiq a retainer in the amount of \$25,000 to be applied immediately in satisfaction of any pre-petition obligations incurred pursuant to this agreement. Any amounts not applied pre-petition will be applied against post petition invoices for the services provided herein.

4. Confidentiality.

All of Customer's confidential data given to Epiq will be held in the strictest confidence in accordance with Epiq's existing procedures and will be safeguarded by Epiq at least to the same extent that Epiq safeguards data relating to its own business; provided, however, that if data is publicly available, was already in Epiq's possession or known to it, or was rightfully obtained by Epiq from a third party, Epiq shall bear no responsibility for disclosure. Customer agrees that Epiq shall not be liable for damages or losses of any nature whatsoever arising out of the unauthorized acquisition or use of any material supplied by Customer to Epiq in the performance of this Agreement.

5. Title to Property.

Epiq reserves all property rights in and to all materials, concepts, know-how, techniques, programs, systems and other information, including, without limitation, data processing programs, specifications, applications, routines, sub-routines, procedural manuals and documentation furnished or developed by Epiq for itself or for use by the Customer ("Property"). Charges paid by Customer do not vest in Customer any rights to the Property, it being expressly understood that the Property is made available to Customer under this Agreement solely for Customer's use during and in connection with each use of the Epiq equipment and services. Customer agrees not to copy or permit others to copy any of the Property.

6. Disposition of Data.

Any data, programs, storage media or other materials furnished by the Customer to Epiq in connection with this Agreement may be retained by Epiq until the services provided herein are paid for, or until this Agreement is terminated with the services provided herein having been paid for in full. Epiq shall dispose of the data and media in the manner requested by Customer. Customer agrees to pay Epiq for reasonable expenses incurred as a result of the disposition of the data or media. After giving Customer thirty (30) days advance notice, Epiq reserves the right to dispose of data or media maintained by Epiq for Customer if Customer has not utilized the services provided herein for a period of at least ninety (90) days or if Customer has not paid all charges due to Epiq.

7. Limitation of Liability, Warranty and Indemnity.

7.1 Customer is responsible for the accuracy of the programs and data it submits for processing to Epiq. Customer agrees to initiate and maintain backup files that would allow Customer to regenerate or duplicate all programs and data submitted by Customer to Epiq.

7.2 Customer agrees that Epiq makes no representations or warranties, express or implied, including but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

7.3 The Customer and Epiq shall each indemnify and hold the other, its affiliates and each of their respective officers, members, directors, agents, consultants and employees (each an "Indemnified Person") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, costs of preparation and attorneys' fees) and expenses as incurred (collectively, "Losses"), to which any Indemnified Person may become subject or involved in any capacity arising out of or relating to this Agreement or Epiq's rendering of services pursuant hereto, regardless of whether any of such Indemnified Persons is a party thereto, other than Losses resulting from the Customer's or Epiq's gross negligence or willful misconduct. Without limiting the generality of the foregoing, "Losses" includes any liabilities resulting from claims by third persons against any Indemnified Person. The Customer and Epiq shall each notify the other in writing promptly of the commencement, institution, threat, or assertion of any claim, action or proceeding of which the Customer or Epiq, as applicable, is aware with respect to the Agreement or the services provided by Epiq under this Agreement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Customer or Epiq, and shall survive the termination of this Agreement until the expiration of all applicable statutes of limitation with respect to the Customer's or Epiq's liabilities.

8. General

8.1 No waiver, alteration, amendment or modification of any of the provisions of this Agreement shall be binding upon either party unless signed in writing by a duly authorized representative of both parties.

8.2 This Agreement may not be assigned by either party without the express written consent of the other, which consent shall not be unreasonably withheld. The services provided under this Agreement are for the sole benefit and use of Customer, and shall not be made available to any other persons.

8.3 This Agreement shall be governed by the laws of the State of New York, without regard to that state's provisions for choice of law.

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8.5 Notices to be given or submitted by either party to the other, pursuant to this Agreement, shall be sufficiently given or made if given or made in writing and sent by certified mail or by a nationally recognized courier service, with receipt of delivery, postage prepaid, and addressed as follows:

If to Epiq:

Epiq Bankruptcy Solutions, LLC
757 Third Avenue, Third Floor
New York, New York 10017
Attn: Ron Jacobs

If to Customer:

Crabtree & Evelyn, Ltd.
102 Peake Brook Road
P.O. Box 167
Woodstock, Connecticut 06281
Attn: Colleen Cording, Esq.

With a copy to:

Lawrence C. Gottlieb, Esq.
Cooley Godward Kronish LLP
The Grace Building
1114 Avenue of the Americas
New York, NY 10036-7798

8.6 Notices shall be deemed effective upon receipt or rejection.

8.7 This Agreement shall be subject to approval of the United States Bankruptcy Court for the Southern District of New York.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

EPIQ BANKRUPTCY SOLUTIONS, LLC



Name: Daniel C. McElhinney
Title: Executive Director

CRABTREE & EVELYN, LTD.

By: 

Name: Koh Han Seow
Title: Chief Financial Officer