

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

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In re : **Chapter 11**
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CRABTREE & EVELYN, LTD., :
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: **Case No. 09-14267 (BRL)**
:
Debtor. :
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**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 327, 328 AND 330
AUTHORIZING RETENTION AND EMPLOYMENT OF
CLEAR THINKING GROUP LLC AS FINANCIAL ADVISOR TO THE DEBTOR,
NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the “Application”) of Crabtree & Evelyn, Ltd., as debtor and debtor-in-possession in the above-captioned case (the “Debtor”), pursuant to sections 327(a), 328(a) and 330 of title 11 of the United States Code (the “Bankruptcy Code”), and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) (i) authorizing the Debtor to retain and employ Clear Thinking Group LLC (“Clear Thinking”) as financial advisor to the Debtor, (ii) approving the terms and conditions of the engagement letter (the “Engagement Letter”) and (iii) granting related relief; and upon the Affidavit of Lee A. Diercks in support of Debtor’s Application for Entry of an Order Under 11 U.S.C. §§ 327, 328 and 330 Authorizing Retention and Employment of Clear Thinking as Financial Advisor to the Debtor, attached as Exhibit A to the Application (the “Diercks Affidavit”); and upon the Supplemental Affidavit of Lee A. Diercks in Support of Debtor’s Application for Entry of an Order Under Bankruptcy Code Sections 327, 328 and 300 Authorizing Retention and Employment of Clear Thinking Group LLC as Financial Advisor to the Debtor, *Nunc Pro Tunc* to the Petition Date (the “Supplemental Diercks Affidavit”); and the Court being satisfied, based on the representations made in the Application, the Diercks Affidavit and the Supplemental Diercks Affidavit, that

Clear Thinking does not hold or represent an interest adverse to the Debtor's estate and is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, as modified in Section 1107(b) of the Bankruptcy Code, and that the employment of Clear Thinking and would be in the best interests of the Debtor, its creditors and estate; and the Court being satisfied that the terms of compensation being sought by Clear Thinking as described in the Engagement Letter attached hereto as **Exhibit A**, are reasonable; and after due deliberation and sufficient cause appearing thereof, it is hereby

ORDERED, that the Debtor is authorized, *nunc pro tunc* to the Petition Date, to employ and retain Clear Thinking on the terms set forth in the Engagement Letter (as limited herein); and it is further

ORDERED, that all compensation and reimbursement of expenses to be paid to Clear Thinking, shall be subject to prior approval of this Court in accordance with the requirements under §§ 330 and 331 of the Bankruptcy Code and any order of this Court which establishes procedures for monthly compensation and reimbursement of expenses; and it is further

ORDERED, that the United States Trustee retains all rights to object to Clear Thinking's interim and final fee application (including expense reimbursement) on all grounds including but not limited to the reasonableness standard provided for in Section 330 of the Bankruptcy Code; and it is further

ORDERED, that all requests of Clear Thinking for payment of indemnity pursuant to the Engagement Letter shall be made by means of an application (interim or final as the case may be) and shall be subject to review by the Court to ensure the payment of such indemnity conforms to the terms of the Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought; provided, however, that in

no event shall Clear Thinking be indemnified in the case of its own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct; and it is further

ORDERED, that in no event shall Clear Thinking be indemnified if the Debtor or a representative of the estate, asserts a claim for, and a court determines by final order that such claim arose out of, Clear Thinking's own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, or willful misconduct; and it is further

ORDERED, that in the event that Clear Thinking seeks reimbursement for attorneys' fees from the Debtor pursuant to the Engagement Letter, the invoices and the supporting time records from such attorneys shall be included in Clear Thinking's own applications (both interim and final) and such invoices and time records shall be subject to the United States Trustee's guidelines for compensation and reimbursement of expenses and the approval of the Bankruptcy Court under the standards of §§ 330 and 331 of the Bankruptcy Code without regard to whether such attorney has been retained under § 327 of the Bankruptcy Code and without regard to whether such attorneys' services satisfy Section 330(a)(3)(C) of the Bankruptcy Code, and it is further

ORDERED, that to the extent this Order is inconsistent with the Engagement Letter, this Order shall govern; and it is further

ORDERED, that the Debtor is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order, and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: New York, New York
July 29, 2009

/s/Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE

**NO OBJECTION:
OFFICE OF THE UNITED STATES TRUSTEE
SOUTHERN DISTRICT OF NEW YORK**

By: /s/ Serene Nakano

EXHIBIT A

See Attached