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8 UNITED STATES BANKRUPTCY COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

10 In re

11 SERACARE LIFE SCIENCES, INC.,
12 a California corporation (d/b/a Therasource
International; f/k/a The Western States Group,
13 Inc.; d/b/a Biomedical Resources, a division of
SeraCare Life Sciences, Inc.; d/b/a Genomics
14 Collaborative, a division of SeraCare Life
Sciences, Inc.; f/k/a Southwest Biological
15 Services Western States Plasma Co., Inc.; d/b/a
Boston Biomedica, Inc.; d/b/a SeraCare
16 Bioservices; and d/b/a SeraCare Diagnostics),

17 Debtor and Debtor-in-
18 Possession.

Case No. SD 06-00510 LA11

Chapter 11 Proceeding

**SUPPLEMENTAL SUBMISSION OF
THE ALLEGIANT INVESTORS RE
DEBTORS MOTION FOR ORDER (1)
APPROVING BREAKUP FEE, (2)
PAYMENT OF LEGAL FEES AND
DUE DILIGENCE EXPENSES, AND
(3) SETTING HEARING ON MOTION
FOR APPROVAL OF SECURED
FINANCING PURSUANT TO
SECTION 364**

Date: August 31, 2006

Time: 3:00 p.m.

Dept: 2

Judge: Hon. Louise DeCarl Adler

23 Since SeraCare Life Sciences, Inc. (the "Debtor") advised other parties of the bid of Robeco
24 Investment Management, Cohanzick Management LLC; Fairfield Greenwich Group; Foxhill Capital
25 Partners LLC; Gruber & McBaine Capital Management; Seven Bridges Management, L.P.; and
26 Triage Capital Management LP, (the "Allegiant Investors"), other bidders were encouraged to bid.
27 As a result, the Allegiant Investors have already added tremendous value to the estate and its
28 continued presence is sure to have a salutary effect which we believe entitles the Allegiant Investors

1 to a break-up fee for the benefit conferred. Nevertheless, at this juncture, we do not believe it is
2 necessary for the Court to make a determination on a break-up fee, and the Allegiant Investors are
3 prepared to drop their break-up fee request from their bid, while reserving the right to request the
4 Court to award a break-up fee if and when required.

5 The Allegiant Investors have been, and remain sensitive to the desires of equity holders in
6 this case¹, including those equity holders who have expressed a desire to participate in the proposed
7 financing. Therefore, the Allegiant Investors are prepared to amend their term sheet to allow all
8 equity holders an opportunity to participate, on a pro rata fashion, in two-thirds of the Allegiant
9 Investors' proposed equity participation, so that, to the extent other equity holders desire to
10 participate, they will have an opportunity to do so.

11 Finally, the Allegiant Investors are also prepared to amend their term sheet to add a provision
12 whereby they will place in escrow the amount of \$25 million (or such lesser amount) financing the
13 Company indicates it needs promptly upon Bankruptcy Court approval of the procedures motion.

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15 Dated: August 30, 2006

BAKER & McKENZIE LLP

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17 By: /s/ Ali M.M. Mojdehi
Ali M.M. Mojdehi

18 Counsel for the Allegiant Investors
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¹ Funds managed by some members of the Allegiant Investors own equity in the Debtor.