

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
PHYSIOTHERAPY HOLDINGS, INC., <i>et al.</i> ¹)	Case No. 13-12965 (KG)
)	
Debtors.)	Jointly Administered
)	

**NOTICE OF SECOND DAY HEARING TO BE HELD ON
DECEMBER 6, 2013 AT 2:00 P.M. (PREVAILING EASTERN TIME)**

PLEASE TAKE NOTICE that a hearing (the “*Hearing*”) to consider the relief requested in each of the following motions (the “*Motions*”) of Physiotherapy Holdings, Inc. and the above-captioned debtors and debtors in possession (collectively, the “*Debtors*”), shall be held before the Honorable Kevin Gross, Chief United States Bankruptcy Judge, in Courtroom No. 3 of the United States Bankruptcy Court for the District of Delaware (the “*Court*”), 824 North

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: Physiotherapy Holdings, Inc. (5193); Actra Rehabilitation Associates, Inc. (7806); Alexandria Sports, Inc. (7654); Benchmark Acquisition Corp. (3850); Benchmark Medical Management Company (0335); Benchmark O&P Holdings, Inc. (6848); Benchmark Orthotics & Prosthetics, Inc. (7000); Blue Hen Physical Therapy, Inc. (7267); Cape Prosthetics-Orthotics, Inc. (7914); Carrollton Physical Therapy Clinic, Inc. (2832); Integrity Physical Therapy, Inc. (1075); Keystone Rehabilitation Associates of Warren (8341); Keystone Rehabilitation Systems, Inc. (8380); Keystone Rehabilitation Systems of McMurray (6304); Leesburg Sports, Inc. (4190); MATRIX Healthcare Services, LLC (7344); MATRIX Rehabilitation, Inc. (3147); MATRIX Rehabilitation-Delaware, Inc. (2504); MATRIX Rehabilitation-Georgia, Inc. (4073); MATRIX Rehabilitation-Ohio, Inc. (2505); MATRIX Rehabilitation-South Carolina, Inc. (5603); MATRIX Rehabilitation-Texas, Inc. (9542); Morris Area Rehabilitation Association, Inc. (2043); North Dallas Physical Therapy Associates, Inc. (5331); Northstar Health Services, Inc. (7152); NSHS Services, Inc. (6789); Orthopaedic Services of Paducah, Inc. (3143); PhysioLink Corporation (3705); Physiotherapy Associates Holdings, Inc. (3367); Physiotherapy Associates, Inc. (7193); Physiotherapy Associates-Union Rehab, LLC (0041); Physiotherapy Corporation (3816); Physiotherapy-BMHI Holdings, Inc. (3361); Physiotherapy-BMI, Inc. (4107); Potomac Rehabilitation Services, Inc. (2725); Professional Rehab Associates, Inc. (2393); Progressive Therapy Services, Inc. (8449); Rehab Associates, L.L.C. (9381); Rehab Colorado, LLC (5804); Rehab Missouri, LLC (0587); Rehab Xcel, LLC (0586); Rehabilitation Consultants, Inc. (1166); R.S. Network, Inc. (9104); SMR Banyan Tree, Inc. (6933); Swanson Orthotic & Prosthetic Center, Inc. (2308); The Parks Physical Therapy and Work Hardening Center, Inc. (2926); Theraphysics Partners of Colorado, Inc. (2115); Theraphysics Partners of Texas, Inc. (9976); Therapy Associates of Martinsville, Inc. (1394); Trumbull P.T. Corp. (3855); Wisconsin Prosthetics and Orthotics, Inc. (7815). The Debtors’ main corporate address is 855 Springdale Drive, Suite 200, Exton, PA 19341.



Market Street, Wilmington, Delaware 19801 on **December 6, 2013 at 2:00 p.m. (Prevailing Eastern Time)**:

1. Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Postpetition Use of Cash Collateral; (B) Granting Adequate Protection to Prepetition Secured Parties; and (C) Scheduling a Final Hearing [**Docket No. 14**];
2. Debtors' Motion for Entry of an Order (A) Authorizing the Debtors to File a Consolidated List of Creditors in Lieu of Submitting a Separate Mailing Matrix for Each Debtor and (B) Extending the Time, and, Upon Plan Confirmation, Waiving the Requirement, to File Schedules and Statements of Financial Affairs [**Docket No. 5**];
3. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to (A) Pay Prepetition Employee Wages, Other Compensation and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs [**Docket No. 6**];
4. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Maintain and Administer Their Refund Program and Honor Prepetition Obligations Related Thereto [**Docket No. 7**];
5. Debtors' Motion for Entry of Interim and Final Orders (A) Determining Adequate Assurance of Payment for Future Utility Services, (B) Prohibiting Utility Providers from Altering, Refusing or Discontinuing Utility Service and (C) Establishing Adequate Assurance Procedures [**Docket No. 8**];
6. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to (A) Pay Unpaid Prepetition Insurance Premiums and (B) Maintain Financing of Insurance Premiums [**Docket No. 9**]; and
7. Debtors' Motion for Entry of Interim and Final Orders Authorizing the Debtors to Pay Prepetition Claims of General Unsecured Trade Creditors in the Ordinary Course of Business [**Docket No. 10**].

PLEASE TAKE FURTHER NOTICE that all documents filed in the Debtors' chapter 11 cases, including the documents listed above, may be downloaded free of charge at <http://www.kccellc.net/PhysioCorp>.

PLEASE TAKE FURTHER NOTICE that you need not appear at the hearing if you do not object to the relief requested in any of the Motions.

PLEASE TAKE FURTHER NOTICE that the Hearing may be continued or adjourned thereafter from time to time without further notice other than an announcement of the adjourned date or dates at the Hearing or at a later hearing. The Debtors will file an agenda before the Hearing, which may modify or supplement the Motions to be heard at the Hearing.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Motions must comply with the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware. Objections, if any, to the *Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Postpetition Use of Cash Collateral; (B) Granting Adequate Protection to Prepetition Secured Parties; and (C) Scheduling a Final Hearing* [Docket No. 14] or the *Debtors' Motion for Entry of Interim and Final Orders (A) Determining Adequate Assurance of Payment for Future Utility Services, (B) Prohibiting Utility Providers from Altering, Refusing or Discontinuing Utility Service and (C) Establishing Adequate Assurance Procedures* [Docket No. 8], must be served upon each of the parties set forth below **on or before December 2, 2013, at 12:00 p.m. (Prevailing Eastern Time)**, and objections, if any, to the other Motions must be served upon each of the parties set forth below **on or before December 2, 2013, at 4:00 p.m. (Prevailing Eastern Time)**: (a) the Debtors, Whiteland Business Park, Suite 200, Exton, Pennsylvania 19341, Attn: General Counsel; (b) proposed co-counsel for the Debtors, Klehr Harrison Harvey Branzburg LLP, 919 N. Market Street, Suite 1000, Wilmington Delaware 19801, Attn: Domenic E. Pacitti, Esq.; 1835 Market Street, Suite 1400, Philadelphia, Pennsylvania, 19103, Attn: Morton Branzburg, Esq.; (c) proposed co-counsel for the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Jonathan S. Henes, P.C., Nicole L. Greenblatt, Esq. and David S. Meyer, Esq.; (d) the administrative and collateral agent under the

Debtors' bridge loan credit agreement, U.S. Bank, National Association, 214 N. Tryon Street, 26th Floor, Charlotte, North Carolina 28202, Attn: CDO Trust Services/James Hanley; (e) counsel to the the administrative and collateral agent under the Debtors' bridge loan credit agreement, Nixon Peabody LLP, 100 Summer Street, Boston, Massachusetts 02110, Attn: Catherine Ng, Esq.; (f) counsel to certain lenders under the Debtors' bridge loan credit agreement, Latham and Watkins LLP, 355 South Grand Avenue, Los Angeles, California 90071, Attn: Stacey Rosenberg, Esq.; (g) co-counsel to the ad hoc committee of senior noteholders, Klee, Tuchin, Bogdanoff & Stern LLP, 1999 Avenue of the Stars, 39th Floor, Los Angeles, California 90067, Attn: Michael Tuchin, Esq. and David A. Fidler, Esq.; (h) co-counsel to the ad hoc committee of senior noteholders, Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801, Attn: Michael R. Nestor, Esq.; (i) the senior notes indenture trustee, Bank of New York Mellon Trust Company, N.A., 601 Travis, 16th Floor, Houston, Texas 77002, Attn: Dennis J. Roemlein CCTS; (j) counsel to the senior notes indenture trustee, Reed Smith LLP, Reed Smith Centre, 225 Fifth Avenue, Pittsburgh, Pennsylvania 15222, Attn: Eric A. Schaffer, Esq.; (k) counsel to the equity sponsor, Dechert LLP, 1095 Avenue of the Americas, New York, New York 10036, Attn: Michael J. Sage, Esq. and Nicole B. Herther-Spiro, Esq.; (l) counsel to any statutory committee appointed in these chapter 11 cases; and (m) the office of the United States Trustee for the District of Delaware, Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Tiiara N.A. Patton.

PLEASE TAKE FURTHER NOTICE that in the event no objections to approval of the Motions are timely received, the Court may enter an order approving the Motions without the need for the Hearing.

Dated: November 15, 2013
Wilmington, Delaware

/s/ Michael W. Yurkewicz

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*Proposed Co-Counsel to the Debtors
and Debtors in Possession*