

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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

**DECLARATION OF PETER WALSH OF  
KURTZMAN CARSON CONSULTANTS LLC REGARDING  
THE MAILING, VOTING AND TABULATION OF BALLOTS  
ACCEPTING AND REJECTING THE JOINT PREPACKAGED PLAN OF  
REORGANIZATION FOR PHYSIOTHERAPY HOLDINGS, INC. AND ITS  
DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

I, Peter Walsh, declare and state under the penalty of perjury:

1. I am a Senior Managing Consultant employed by Kurtzman Carson

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<sup>1</sup> 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.



Consultants, LLC (the "**Balloting Agent**"),<sup>2</sup> whose business address is 599 Lexington Avenue, 39<sup>th</sup> Floor, New York, NY 10022. I am over the age of 18 and not a party to this action.

2. I and others under my supervision worked with Physiotherapy Holdings, Inc., and its affiliated debtors and debtors in possession (collectively, the "**Debtors**") and proposed counsel to the Debtors to solicit votes to accept or reject the *Joint Prepackaged Plan of Reorganization of Physiotherapy Holdings, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Plan**") and to tabulate the Ballots or Master Ballots of creditors voting to accept or reject the Plan. Except as otherwise noted, I could and would testify to the following based upon my personal knowledge. I am authorized to submit this Declaration on behalf of the Balloting Agent.

3. The Balloting Agent has considerable experience in soliciting and tabulating votes to accept or reject proposed prepackaged plans of reorganization.

**Service and Transmittal of Solicitation Packages and the Tabulation Process**

4. The Debtors established September 27, 2013, as the record date (the "**Voting Record Date**") for determining which creditors were entitled to vote on the Plan. Pursuant to the Plan, holders of Class 3 Bridge Loan Credit Agreement Claims and Class 4 Senior Notes Claims (the "**Voting Classes**") were entitled to vote to accept or reject the Plan. No other classes were entitled to vote on the Plan.

5. With respect to the Class 3 Bridge Loan Credit Agreement Claims, the Balloting Agent relied on a list of holders provided by counsel for the Bridge Loan Agent under the Bridge

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the *Disclosure Statement for the Joint Prepackaged Plan of Reorganization of Physiotherapy Holdings, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Disclosure Statement**"), filed contemporaneously herewith.

Loan Credit Agreement as of the Voting Record Date to identify the holders of Class 3 Bridge Loan Credit Agreement Claims entitled to vote to accept or reject the Plan. For the Class 4 Senior Notes Claims, the Balloting Agent relied on security position reports provided by The Depository Trust Company as of the Voting Record Date to identify the holders of 11.875% Senior Notes entitled to vote to accept or reject the Plan.

6. In accordance with the solicitation procedures as set forth in the Disclosure Statement, the Balloting Agent served the following solicitation package to the holders of claims in the Voting Classes or their Nominees, as applicable, as of the Voting Record Date:

- (a) a solicitation cover letter from the Debtors;
- (b) the appropriate Ballot or Master Ballot, as applicable, and instructions for completing such Ballot or Master Ballot;
- (c) a pre-addressed, postage pre-paid return envelope; and
- (d) the Disclosure Statement with all exhibits, including the Plan.

7. All Ballots cast by holders of Class 3 Bridge Loan Credit Agreement Claims and Class 4 Senior Notes Claims were required to be delivered to the Balloting Agent or their Nominees, as applicable, so as to be received by the Balloting Agent no later than November 8, 2013 at 11:59 p.m. (Prevailing Eastern Time) (the "*Voting Deadline*").

8. The Balloting Agent received and tabulated the Ballots or Master Ballots in accordance with the tabulation procedures set forth in the Disclosure Statement.

9. Additionally, the Balloting Agent recorded (a) whether each holder of Class 3 Bridge Loan Credit Agreement Claims who voted to accept the plan elected to receive its pro rata share of the Exit Facility or to be paid in full in cash and (b) whether each holder of Class 4 Senior Notes Claims who voted to accept the plan chose to opt-in to the settlement described in

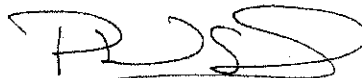
Article IV of the Plan by contributing certain claims to the Litigation Trust. Attached as **Exhibit A** is a summary of the voting and election results with respect to the Voting Classes.

10. To the best of my knowledge, information and belief, the foregoing information concerning the distribution, submission, and tabulation of Ballots or Master Ballots in connection with the Plan is true.

*[Remainder of page intentionally left blank.]*

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

Dated: November 12, 2013



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Peter Walsh  
Senior Managing Consultant, Public Securities  
Kurtzman Carson Consultants, LLC

**EXHIBIT A**

**Tabulation Summary**

<b>Total Ballots Counted</b>						
<b>Voting Class</b>	<b>Accept</b>			<b>Reject</b>		
	Amount	Number	% Accepted	Amount	Number	% Rejected
Class 3 Bridge Loan Credit Agreement Claims	\$140,000,000.00	28	100%	\$0	0	0%
Class 4 Senior Notes Claims	\$209,400,000.00	85	100%	\$0	0	0%

<b>Class 3 Elections</b>				
<b>Voting Class</b>	<b>Receive pro rata share of Exit Facility</b>		<b>Be paid full in cash</b>	
	Amount	Number	Amount	Number
Class 3 Bridge Loan Credit Agreement Claims	\$102,180,544.59	17	\$37,819,455.41	11

<b>Class 4 Elections</b>			
<b>Voting Class</b>	<b>Elect to contribute certain claims to the Litigation Trust</b>		
	Amount	Number	% contributed
Class 4 Senior Notes Claims	\$209,400,000.00	85	100%