

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

ENTERED

MAR 22 2000

Clerk, U.S. Bankruptcy Court
Northern District of Alabama
By: _____

IN RE:)
) Chapter 11
PSYCHPARTNERS, L.L.C., *et al.*,) Cases Nos. 00-00553 and 00-00585
) through 00-00589
) Jointly Administered
Debtors.)
_____)

100414

ORDER TO LIMIT NOTICE

This matter coming to be heard on the Motion to Limit Notice (the "Motion"), filed by PsychPartners, L.L.C., and its wholly-owned subsidiary, PsychPartners, Inc., and PsychPartners Inc.'s wholly-owned subsidiaries, PsychPartners North Florida, Inc., PsychPartners MPG, Inc., PsychPartners Mid-Atlantic, Inc., and PsychPartners of Florida, Inc., debtors and debtors-in-possession in the above-captioned, jointly administered cases (collectively, the "Debtors"); the Court having reviewed the Application and having heard the statements of counsel in support thereof at a hearing before the Court (the "Hearing"); and the Court finding that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (c) notice of the Motion and the Hearing was sufficient under the circumstances, and (d) the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and the Court being otherwise advised in the premises;

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion shall be, and hereby is, granted in its entirety.
2. The Debtors are hereby authorized to limit notice required by Bankruptcy Rule 2002(a)(2), (a)(3), and (a)(7) to Banc of America Commercial Finance Corp., or its counsel; an official creditor's committee, or its authorized agent; creditors who file a notice of appearance with the Court; and the Bankruptcy Administrator.

Dated: Birmingham, Alabama
March 21, 2000

00, 14 7 01 2000
BIRMINGHAM, ALABAMA
THOMAS B. BENNETT
THE HONORABLE THOMAS B. BENNETT
UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

PsychPartners, L.L.C., an Alabama Limited Liability Co. <u>Tax I.D. No. 63-1156345</u>)	Case No. 00-00553
PsychPartners, Inc. <u>Tax I.D. No. 59-1133841</u>)	Case No. 00-00585
PsychPartners North Florida, Inc. <u>Tax I.D. No. 63-1200262</u>)	Case No. 00-00586
PsychPartners MGP, Inc. <u>Tax I.D. No. 63-1199342</u>)	Case No. 00-00587
PsychPartners Mid-Atlantic, Inc. <u>Tax I.D. No. 72-1376895</u>)	Case No. 00-00588
PsychPartners of Florida, Inc. <u>Tax I.D. No. 63-1199305</u> Debtors.)	Case No. 00-00589

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NOTICE OF COMMENCEMENT OF CASES UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, FIRST MEETING OF CREDITORS PURSUANT TO SECTION 341 OF THE BANKRUPTCY CODE AND FIXING OF DATES

TO ALL INTERESTED PARTIES:

COMMENCEMENT OF CASES. On January 28, 2000, PsychPartners, L.L.C., with a mailing address of 1900 International Park Drive, Suite 220, Birmingham, Alabama 35243 and its above-listed affiliated debtors (collectively, the "Debtors") filed in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the "Bankruptcy Court") voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). An order for relief has been entered in each of the Debtors' cases. Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are authorized to continue to operate their businesses and manage their properties as debtors and debtors-in-possession. You will not receive notice of all documents filed in the Debtors' cases. All documents filed with the Bankruptcy Court are or will be available for inspection at the office of the Clerk of the Bankruptcy Court. The address of the Clerk of the Bankruptcy Court is 1800 Fifth Avenue North, Suite 106, Birmingham, Alabama 35203.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom any one or more of the Debtors owes money or property. Under the Bankruptcy Code, the Debtors are granted certain protections against creditors. Common examples of prohibited actions by creditors are contacting a debtor to demand repayment, taking any action against a debtor to collect money owed or taking any action against property of a debtor, terminating or changing the terms of existing contracts or agreements, initiating or attempting to pursue litigation against a debtor and starting or continuing foreclosure actions, repossessions, or taking any action to realize the value of a secured creditor's collateral. If unauthorized actions are taken by a creditor against any of the Debtors, the Bankruptcy Court may penalize that creditor. A creditor who is considering taking action against the Debtors or the property of the Debtors should review section 362 of the Bankruptcy Code and may wish to seek legal advice. The staff of the Clerk of the Bankruptcy Court is not permitted to give legal advice.

MEETING OF CREDITORS. A first meeting of creditors pursuant to section 341 of the Bankruptcy Code was convened on March 7, 2000. By announcement on March 7, 2000, the meeting was adjourned to **April 19, 2000 at 10 a.m.** at the Robert S. Vance Federal Building, 1800 5th Avenue North, Suite 127, Birmingham, Alabama 35203. A representative of the Debtors is required to appear at the meeting of creditors for the purpose of being examined under oath. You are invited to attend this meeting, but your attendance is not mandatory. At the meeting, creditors may examine the Debtors and ask such questions as may properly be raised at the meeting. The meeting may be continued or adjourned from time to time by notice at the meeting without further written notice to creditors.

PROOFS OF CLAIM. The schedules and lists of creditors will be filed pursuant to Federal Rule of Bankruptcy Procedure 1007. Once filed, creditors will be advised of the amount and manner in which their claims have been scheduled. You are not required at this time to file a proof of claim. **THE FACT THAT YOU HAVE RECEIVED THIS NOTICE DOES NOT MEAN THAT EITHER ANY OF THE DEBTORS OR THE BANKRUPTCY COURT BELIEVES YOU HAVE A CLAIM. YOU SHOULD CONSULT WITH YOUR OWN COUNSEL IF YOU HAVE A QUESTION REGARDING WHETHER YOU HAVE A CLAIM.** At a later date, a "bardate" will be set by the Bankruptcy Court establishing the last day by which to file any proofs of claim. Creditors will receive notice thereof and be given an opportunity to file proofs of claim should they choose or be required to do so.

PURPOSE OF THE CHAPTER 11 FILINGS. Chapter 11 of the Bankruptcy Code enables a debtor to attempt to reorganize pursuant to a plan. A plan is not effective unless approved by the Bankruptcy Court at a confirmation hearing. Creditors will be given notice concerning any plan, or, in the event the cases are dismissed or converted to another chapter of the Bankruptcy Code, notice of such dismissal or conversion. The Debtors will remain in possession of their properties and will continue to manage their assets unless a trustee is appointed.

ADDITIONAL INFORMATION. If you require additional information, you may contact Katten Muchin Zavis, the attorneys for the debtors and debtors-in-possession in these chapter 11 cases by telephone at (312) 902-5200 Monday through Friday between 9:00 a.m. and 5:00 p.m. Central Standard Time or by writing to Stephen T. Nelson, Katten Muchin Zavis, 525 W. Monroe Street, Suite 1600, Chicago, Illinois 60661.

Dated: March 9, 2000

KATTEN MUCHIN ZAVIS
Stephen T. Nelson
525 W. Monroe Street, Suite 1600
Chicago, Illinois 60661-3693
General Counsel for Debtors and Debtors-in-Possession

BRADLEY ARANT ROSE & WHITE
J. Patrick Darby
South Trust Tower, 420 N. 20th Street, Suite 200
Birmingham, Alabama 35203-3208
Special Counsel for Debtors and Debtors-in-Possession

IF YOU HAVE QUESTIONS CONCERNING THIS NOTICE CALL (312) 902-5200

PsychPartners

1900 International Park Drive

Suite 220

Birmingham, Alabama 35243

(205) 967-6650 FAX 967-3756

February 4, 2000

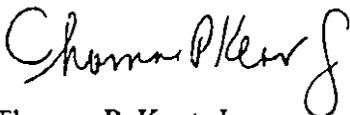
Dear Vendor:

On January 28, 2000, PsychPartners, L.L.C. and certain of its affiliated entities (the "*Debtors*"), filed for relief under chapter 11 of title 11 of the United States Code (the "*Bankruptcy Code*") in the United States Bankruptcy Court for the Northern District of Alabama (the "*Bankruptcy Cases*"). Chapter 11 generally permits a debtor to remain in possession of its property and continue to operate its business. Accordingly, various orders for relief have been entered in the Bankruptcy Cases that ensure that the Debtors can continue to conduct daily business operations, including meeting expenses incurred in the ordinary course of their businesses.

Pursuant to (i) the Post-Petition Loan and Security Agreement (the "*Post-Petition Facility*"), dated as of February 1, 2000, between the Debtors and Banc of America Commercial Finance Corp., and (ii) an interim order authorizing use of the Post-Petition Facility entered by the Bankruptcy Court on January 31, 2000, the Debtors are authorized to borrow a total of up to \$1.6 million on an interim basis (pending a final hearing on February 18, 2000) and use the proceeds for, among other things, operating expenses and working capital needs. Accordingly, the Debtors have the authority and liquidity to satisfy their post-petition obligations as they come due. Additionally, any vendor who extends credit to the Debtors is entitled to administrative expense priority, pursuant to section 503(b) of the Bankruptcy Code, for any unpaid post-petition debt. If the Post-Petition Facility is approved at the February 18, 2000 hearing, the Debtors will be authorized to borrow up to \$5 million for, among other things, operating expenses and working capital needs.

Sincerely,

PSYCHPARTNERS, L.L.C.



Thomas P. Kent, Jr.
President and Chief Executive Officer

TPK:mab

FILED
FEB 10 2 57 PM '00
CLERK OF COURT
NORTHERN DISTRICT OF ALABAMA
BIRMINGHAM