

**EXHIBIT A**

**Proposed Order**

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

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In re:	)	Chapter 11
	)	
INSIGHT HEALTH SERVICES	)	Case No. 10-16564 (AJG)
HOLDINGS CORP., <u>et al.</u> , <sup>7</sup>	)	
	)	
Debtors.	)	Jointly Administered

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**ORDER APPROVING SALE OF THE DEBTORS'  
NORTHERN CALIFORNIA CENTERS FREE AND CLEAR OF ALL  
LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS**

Upon the motion (the “Motion”)<sup>8</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for the entry of an order (the “Order”) approving the sale of the Northern California Centers free and clear of all liens, claims, encumbrances and other interests (the “Sale”); and upon consideration of the Motion and all pleadings related thereto; and the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and (c) notice of the Motion was due and proper under the circumstances; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their

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<sup>7</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: InSight Health Services Holdings Corp. (0028); InSight Health Services Corp. (2770); Comprehensive Medical Imaging Centers, Inc. (6946); Comprehensive Medical Imaging, Inc. (2473); InSight Health Corp. (8857); Maxum Health Services Corp. (5957); North Carolina Mobile Imaging I LLC (9930); North Carolina Mobile Imaging II LLC (0165); North Carolina Mobile Imaging III LLC (0251); North Carolina Mobile Imaging IV LLC (0342); North Carolina Mobile Imaging V LLC (0431); North Carolina Mobile Imaging VI LLC (0532); North Carolina Mobile Imaging VII LLC (0607); Open MRI, Inc. (1529); Orange County Regional PET Center - Irvine, LLC (0190); Parkway Imaging Center, LLC (2858); and Signal Medical Services, Inc. (2413). The location of the Debtors’ corporate headquarters and the Debtors’ service address is: 26250 Enterprise Court, Suite 100, Lake Forest, California 92630.

<sup>8</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

estates, and creditors; and after due deliberation, and good and sufficient cause appearing therefore, it is hereby:

FOUND AND CONCLUDED THAT:

A. Good and sufficient reasons for approval of the Sale to SimonMed under the terms of the Asset Purchase Agreement have been articulated, and the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and all other parties in interest.

B. The Debtors have demonstrated both: (a) good, sufficient and sound business purposes and justification; and (b) compelling circumstances for the Sale other than in the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code. The Asset Purchase Agreement was negotiated and entered into in good faith and from arm's length bargaining positions. The Debtors' efforts to market the Northern California Centers for sale were good and sufficient under the circumstances. Neither SimonMed nor any of its officers or owners is an "insider" as that term is defined in the Bankruptcy Code. SimonMed is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all the protections afforded thereby.

C. The consideration provided by SimonMed pursuant to the Asset Purchase Agreement: (a) is fair and reasonable; (b) is the highest and best offer for the Northern California Centers, under the circumstances; and (c) constitutes reasonably equivalent value and fair consideration for the Northern California Centers.

D. The form and manner of notice of the Sale and the schedule of Assumed Contracts and respective cure amounts [Docket No. ] (the "Cure Schedule") were appropriate in all respects.

E. “Cause” exists to waive and modify both (i) the stay of the Sale authorized by this Order imposed by Bankruptcy Rule 6004(h), and (ii) the stay imposed by Bankruptcy Rule 6006(d) of the assignment of the Assumed Contracts to occur in connection with the Sale.

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted as set forth herein. Any objections to the entry of this Order or the relief granted herein and requested in the Motion that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits with prejudice.

2. The Asset Purchase Agreement, and all terms thereof, substantially in the form of Exhibit B to the Motion, and the transactions contemplated thereby are approved. The Asset Purchase Agreement and any related agreements, documents or other instruments may be modified, amended, supplemented or entered into by the parties thereto and in accordance with the terms thereof, without further order of the Court.

3. The Debtors are authorized and directed to sell the Assets (as defined in the Asset Purchase Agreement) to SimonMed free and clear of all liens, claims, encumbrances and other interests pursuant to section 363(f) of the Bankruptcy Code, with all such liens, claims, encumbrances and other interests attaching only to the sale proceeds in the same validity, extent and priority as immediately prior to the transaction, subject to any rights, claims and defenses of the Debtors and other parties in interest.

4. The transfer of the Assets (as defined in the Asset Purchase Agreement) to SimonMed pursuant to the Asset Purchase Agreement shall be, and hereby is deemed to be, a legal, valid and effective transfer of the assets, and vests with or will vest in SimonMed all right, title and interest of the Debtors in the Assets (as defined in the Asset Purchase Agreement).

5. The Debtors and SimonMed have acted in good faith and are entitled to the protections of section 363(m) of the Bankruptcy Code, and SimonMed is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy Code.

6. The sale, assumption and assignment of the Assumed Contracts to SimonMed are hereby approved pursuant to section 365 of the Bankruptcy Code.

7. At Closing or as soon as practicable thereafter, the Debtors shall pay to each counterparty to the Assumed Contracts the cure amounts set forth on the Cure Schedule, unless otherwise ordered, in accordance with section 365 of the Bankruptcy Code and the Asset Purchase Agreement. The cure amount set forth in the Cure Schedule shall be deemed the entire cure obligation of the Debtors due and owing under section 365 of the Bankruptcy Code. Any counterparty to any of the Assumed Contracts, shall be, and hereby is, forever barred and enjoined from raising or asserting future claims against the Debtors based on any cure amount or the Assumed Contracts.

8. Adequate assurance of future performance under the Assumed Contracts has been provided and exists and the proposed assumption and assignment of the Assumed Contracts satisfies the requirements under section 365 of the Bankruptcy Code.

9. No sections or provisions of any of the Assumed Contracts that purport to (a) prohibit, restrict or condition the Debtors' assignment of any Assumed Contract, including, but not limited to, the conditioning of such assignment on the consent of the non-debtor party to such Assumed Contract; (b) authorize the termination, cancellation or modification of any Assumed Contract based on the filing of bankruptcy cases, the financial condition of the Debtors or similar circumstances; or (c) provide for additional payments, penalties, charges or other financial accommodations in favor of the non-debtor third party to any Assumed Contract upon

the occurrence of the conditions set forth in subsections (a) and (b) above, shall have any force and effect with respect to the sale and assignment authorized by this Order, and such provisions constitute unenforceable anti-assignment provisions under section 365(f) of the Bankruptcy Code and/or are otherwise unenforceable under section 365 of the Bankruptcy Code.

10. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

11. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

12. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

New York, New York  
Date: \_\_\_\_\_, 2011

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Honorable Arthur J. Gonzalez  
Chief United States Bankruptcy Judge