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Proposed Counsel to the Debtors and Debtors in Possession

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

In re:)	Chapter 11
)	
INSIGHT HEALTH SERVICES)	Case No. 10-16564 (___)
HOLDINGS CORP., <u>et al.</u> , ¹)	
)	
Debtors.)	(Joint Administration Requested)
)	

¹ 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.

**NOTICE OF COMMENCEMENT OF CHAPTER 11 CASES
AND HEARING ON FIRST DAY MOTIONS**

PLEASE TAKE NOTICE that on December 10, 2010 (the “Petition Date”), InSight Health Services Holdings Corp. and certain of its subsidiaries and affiliates, as debtors and debtors in possession and listed on Schedule 1 attached hereto (collectively, the “Debtors”), each filed a voluntary petition for relief under title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Court”).

PLEASE TAKE FURTHER NOTICE that together with their chapter 11 petitions, on the Petition Date, the Debtors filed their prepackaged plan of reorganization [Docket No. 23] and the accompanying disclosure statement [Docket No. 24], and the following first day motions and related pleadings (collectively, the “First Day Pleadings”):

1. Voluntary Petitions. [Docket No. 1].
2. First Day Declaration. Declaration of Keith S. Kelson of InSight Health Services Holdings Corp. (I) In Support of Debtors’ Chapter 11 Petitions and First Day Motions and (II) Pursuant to Local Bankruptcy Rule 1007-2 [Docket No. 26].
3. Joint Administration. Debtors’ Motion for Entry of an Order Directing Joint Administration of their Chapter 11 Cases [Docket No. 2].
4. Creditor Matrix. Debtors’ Motion for Entry of an Order for Authority to (A) Prepare a List of Creditors in Lieu of Submitting a Formatted Mailing Matrix, (B) File a Consolidated List of the Debtors’ 50 Largest Unsecured Creditors and (C) Mail Initial Notices [Docket No. 3].
5. Case Management. Debtors’ Motion for Entry of an Order Establishing Certain Notice, Case Management and Administrative Procedures [Docket No. 4].

6. Schedules and Statements. Debtors' Motion for Entry of an Order (A) Permanently Waiving the Requirement to File the Schedules and Statements of the Debtors' Financial Affairs Upon Confirmation of the Debtors' Prepackaged Plan of Reorganization and (B) Otherwise Granting an Extension of Time to File the Schedules and Statements [Docket No. 5].
7. BMC Retention. Debtors' Application for Entry of an Order Authorizing the Retention and Employment of BMC Group, Inc. as Notice and Claims Agent for the Debtors [Docket No. 6].
8. Continue Cash Management. Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing the Debtors to (1) Continue Using the Cash Management System, (2) Maintain Existing Bank Accounts and Business Forms and (3) Maintain Existing Investment Practices, and (B) Authorizing the Debtors to Continue Intercompany Arrangements and Granting Postpetition Intercompany Claims Administrative Expense Priority [Docket No. 7].
9. Continue Customer Programs. Debtors' Motion for Entry of Interim and Final Orders Authorizing, But Not Directing, the Debtors to Maintain and Administer Customer Programs and Honor Related Prepetition Obligations [Docket No. 9].
10. DIP Financing / Cash Collateral. Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing and Letters of Credit (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Adequate Protection to Prepetition Secured Lenders and (D) Scheduling a Final Hearing [Docket No. 22].
11. Net Operating Losses. Debtors' Motion for Entry of Interim and Final Orders Establishing Notification and Hearing Procedures for Transfers of Certain Equity Securities and Granting Related Relief [Docket No. 12].
12. Authorize Tax Payments. Debtors' Motion for Entry of Interim and Final Orders Authorizing, But Not Directing, the Debtors to Pay Certain Prepetition Taxes and Fees [Docket No. 10].
13. Wages and Benefits. Debtors' Motion for Entry of Interim and Final Orders Authorizing, But Not Directing, the Debtors to (A) Pay Certain Prepetition Compensation and Reimbursable Employee Expenses, (B) Pay and Honor Employee Medical and Other Benefits and (C) Continue Employee Wages And Benefits Programs [Docket No. 8].

14. Continue Insurance Policies. Debtors' Motion For Entry of Interim and Final Orders Authorizing the Debtors to (A) Continue Prepetition Insurance Coverage, (B) Maintain Existing Financing of Insurance Premiums and (C) Enter Into New Postpetition Policies and Financing Agreements [Docket No. 11].
15. Prepackaged Plan Scheduling Motion. Debtors' Motion for Entry of Order (A) Scheduling an Objection Deadline and Combined Hearing on Their Disclosure Statement and Plan Confirmation, (B) Approving Form and Notice Of Confirmation Hearing, (C) Establishing Procedures for Objections to Their Plan and Disclosure Statement, (D) Approving Solicitation Procedures, (E) Waiving the Requirement for Meetings of Creditors or Equity Holders and (F) Granting Related Relief [Docket No. 25].

PLEASE TAKE FURTHER NOTICE that the Debtors will request that a hearing to consider these motions (the "First Day Hearing") be scheduled by the Court for December 13, 2010, or as soon thereafter as possible, with such hearing to be held at the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004 in accordance with the Court's schedule. The Debtors further have requested that the Court consider the relief requested in the First Day Pleadings, in certain cases, on an interim basis pending a final hearing to be scheduled at a later date. The Debtors intend to file an agenda and hearing notice in advance of the First Day Hearing once the timing of the First Day Hearing has been determined.

PLEASE TAKE FURTHER NOTICE that the Debtors also have filed the following motions and applications as to which relief will be requested at a later hearing or hearings, the date and time for which will be scheduled by the Court during the First Day Hearing (collectively, the "Later Hearing Pleadings"):

1. Pay Unimpaired Claims. Debtors' Motion for Entry of an Order Authorizing, But Not Directing, Payment of Unimpaired Claims in the Ordinary Course of Business [Docket No. 21].

2. Utilities. Debtors' Motion for Entry of an Order Determining Adequate Assurance of Payment for Future Utility Services [Docket No. 13].
3. De Minimis Asset Sale Procedures. Debtors' Motion for Entry of an Order Authorizing and Approving Expedited Procedures for the Sale of De Minimis Assets [Docket No. 20].
4. Interim Compensation. Debtors' Motion for Entry of an Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses for Professionals and Members of Any Official Committees [Docket No. 14].
5. Ordinary Course Professionals. Debtors' Motion for Entry of an Order Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business [Docket No. 19].
6. K&E Retention Motion. Debtors' Application for Entry of an Order Authorizing the Employment and Retention of Kirkland & Ellis LLP as Attorneys for the Debtors and Debtors in Possession Effective *Nunc Pro Tunc* to the Petition Date [Docket No. 17].
7. Zolfo Retention Motion. Debtors' Application for Entry of an Order Authorizing the Employment and Retention of Zolfo Cooper, LLC as Bankruptcy Consultants and Special Financial Advisors to the Debtors *Nunc Pro Tunc* to the Petition Date [Docket No. 18].

PLEASE TAKE FURTHER NOTICE that copies of the First Day Pleadings and Later Hearing Pleadings may be obtained free of charge by visiting the website of BMC Group, Inc. at <http://www.bmcgroup.com/insight> or by calling (888) 909-0100. You may also obtain copies of any pleadings by visiting the Court's website at <http://www.nysb.uscourts.gov> in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that your rights may be affected. You should read the First Day Pleadings and the Later Hearing Pleadings carefully and discuss them with your attorney, if you have one in connection with these chapter 11 cases. (If you do not have an attorney, you may wish to consult with one).

PLEASE TAKE FURTHER NOTICE that if you do not want the Court to grant the relief requested in the First Day Hearing Pleadings, or if you want the Court to consider your

views on the First Day Pleadings, then you or your attorney must attend the First Day Hearing. If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the First Day Hearing Pleadings and may enter orders granting the relief requested in the First Day Hearing Pleadings.

New York, New York

Dated: December 10, 2010

/s/ Edward O. Sassower

James H.M. Sprayregen, P.C.

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Schedule 1

List of Debtors

- InSight Health Services Holdings Corp. - Case No. 10-16564
- InSight Health Services Corp. - Case No. 10-16565
- Comprehensive Medical Imaging Centers, Inc. - Case No. 10-16566
- Comprehensive Medical Imaging, Inc. - Case No. 10-16567
- InSight Health Corp. - Case No. 10-16568
- Maxum Health Services Corp. - Case No. 10-16569
- North Carolina Mobile Imaging I LLC - Case No. 10-16570
- North Carolina Mobile Imaging II LLC - Case No. 10-16571
- North Carolina Mobile Imaging III LLC - Case No. 10-16572
- North Carolina Mobile Imaging IV LLC - Case No. 10-16573
- North Carolina Mobile Imaging V LLC - Case No. 10-16574
- North Carolina Mobile Imaging VI LLC - Case No. 10-16575
- North Carolina Mobile Imaging VII LLC - Case No. 10-16576
- Open MRI, Inc. - Case No. 10-16577
- Orange County Regional PET Center - Irvine, LLC - Case No. 10-16578
- Parkway Imaging Center, LLC - Case No. 10-16579
- Signal Medical Services, Inc. - Case No. 10-16580