

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF LOUISIANA**

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In re : **Chapter 11 Case No.**
 : **06-10179 (B)**
OCA, INC., et al., :
 : **(Jointly Administered)**
 :
Debtors. :
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**SUPPLEMENT TO THE MOTION TO DESIGNATE THE VOTE OF
BARTHOLOMEW F. PALMISANO, SR. PURSUANT TO 11 U.S.C. § 1126(e)**

The Official Committee of Unsecured Creditors (the “Creditors’ Committee”), together with OCA, Inc. (“OCA”) and certain of its subsidiaries,¹ as debtors and debtors-in-possession (collectively, the “Debtors”), through their undersigned counsel, hereby file this supplement to the *Motion to Designate the Vote of Bartholomew F. Palmisano, Sr. Pursuant to 11 U.S.C § 1126(e)* (the “Designation Motion”) (Docket No. 1720). In further support of the Designation Motion, the Creditors’ Committee and the Debtors respectfully state as follows:

¹ Orthodontic Centers of Alabama, Inc. (06-10180); Orthodontic Centers of Arizona, Inc. (06-10181); Orthodontic Centers of Arkansas, Inc. (06-10182); Orthodontic Centers of California, Inc. (06-10183); Orthodontic Centers of Colorado, Inc. (06-10184); Orthodontic Centers of Connecticut, Inc. (06-10185); Orthodontic Centers of Florida, Inc. (06-10186); Orthodontic Centers of Georgia, Inc. (06-10187); Orthodontic Centers of Illinois, Inc. (06-10188); Orthodontic Centers of Indiana, Inc. (06-10189); Orthodontic Centers of Kansas, Inc. (06 10190); Orthodontic Centers of Kentucky, Inc. (06-10191); Orthodontic Centers of Louisiana, Inc. (06-10192); Orthodontic Centers of Maine, Inc. (06-10193); Orthodontic Centers of Maryland, Inc. (06-10194); Orthodontic Centers of Massachusetts, Inc. (06-10195); Orthodontic Centers of Michigan, Inc. (06-10196); Orthodontic Centers of Minnesota, Inc. (06-10197); Orthodontic Centers of Mississippi, Inc. (06-10198); Orthodontic Centers of Missouri, Inc. (06-10199); Orthodontic Centers of Nebraska, Inc. (06-10200); Orthodontic Centers of Nevada, Inc. (06-10201); Orthodontic Centers of New Hampshire, Inc. (06-10202); Orthodontic Centers of New Jersey, Inc. (06-10203); Orthodontic Centers of New Mexico, Inc. (06-10204); Orthodontic Centers of New York (06-10205); Orthodontic Centers of North Carolina, Inc. (06-10206); Orthodontic Centers of North Dakota, Inc. (06-10207); Orthodontic Centers of Ohio, Inc. (06-10208); Orthodontic Centers of Oklahoma, Inc. (06-10209); Orthodontic Centers of Oregon, Inc. (06-10210); Orthodontic Centers of Pennsylvania, Inc. (06-10211); Orthodontic Centers of Puerto Rico, Inc. (06-10212); Orthodontic Centers of Rhode Island, Inc. (06-10213); Orthodontic Centers of South Carolina, Inc. (06-10214); Orthodontic Centers of Tennessee, Inc. (06-10215); Orthodontic Centers of Texas, Inc. (06-10216); Orthodontic Centers of Utah, Inc. (06-10217); Orthodontic Centers of Virginia, Inc. (06-10218); Orthodontic Centers of Washington, Inc. (06-10219); Orthodontic Centers of Washington, D.C., Inc. (06-10220); Orthodontic of West Virginia, Inc. (06-10221); Orthodontic Centers of Wisconsin, Inc. (06- 10222); Orthodontic Centers of Wyoming, Inc. (06-10223); OrthAlliance, Inc. (06-10229); OrthAlliance New Image, Inc. (06-10230); OCA Outsource, Inc. (06-10231); PedoAlliance, Inc. (06-10232); Orthodontics Centers of Hawaii, Inc. (06-10503); Orthodontics Centers of Iowa, Inc. (06-10504); and Orthodontics Centers of Idaho, Inc. (06-10505).

1. On September 1, 2006, following investigations of Bartholomew F. Palmisano's ("Palmisano") management of the Debtors, Special Counsel for the Debtors filed an adversary complaint (the "Palmisano Complaint") (Docket No. 1746) against Palmisano alleging (a) breaches of fiduciary duties of care, loyalty, good faith; (b) improper derivation of personal benefit; (c) contribution and indemnification for liability arising by virtue of Palmisano's misconduct; (d) violations of the Sarbanes-Oxley Act (15 U.S.C. § 7243); and (e) damages in the amount of \$12,476,202. A copy of the Palmisano Complaint is attached hereto as Exhibit A.

2. On September 1, 2006, following investigations of certain transactions between OCA and OCA International involving the capitalization of OCA International, Special Counsel for the Debtors filed an adversary complaint (the "OCAI Complaint") (Docket No. 1745) against OCA International, LLC, Gimli, LLC, and Palmisano alleging (a) breaches of fiduciary duties by Palmisano and (b) fraudulent conveyance of the Foreign Subsidiaries (as defined in the OCAI Complaint) from OCA to OCA International. A copy of the OCAI Complaint is attached hereto as Exhibit B.

3. The Palmisano Complaint and the OCAI Complaint further support the conclusion that Palmisano did not cast his Class 4 votes in good faith.

WHEREFORE, for the reasons set forth in the Designation Motion which is further supported by the Palmisano Complaint and the OCAI Complaint, the Creditors' Committee and the Debtors respectfully request that this Court enter an order: (a) designating Palmisano's Class 4 votes as not cast in good faith pursuant to § 1126(e); (b) requiring that the acceptance or rejection of the Plan by Class 4 be determined under section 1126(c) without inclusion of such votes; and (c) granting such other relief as the Court deems just and fair.

Dated: September 1, 2006

Respectfully submitted,

OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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