UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF LOUISIANA

In re	:	**Chapter 11 Case No.**
	:	**06-10179 (B)**
OCA, INC., *et al.*,	:	
3850 North Causeway Blvd., Suite 800	:	
Metairie, LA 70002	:	
TAX ID NO. 72-XXX8948	:	**(Jointly Administered)**
Debtors.	:	

APPLICATION BY THE DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF KINGSMILL RIESS, L.L.C. AS SUPPLEMENTAL LITIGATION COUNSEL

NOW INTO COURT, through undersigned counsel, comes OCA, Inc. and certain of its subsidiaries[1], as debtors and debtors-in-possession (collectively, the "Debtors") and respectfully move this Court for entry of an order authorizing the Debtor's retention of the law firm Kingsmill Riess, L.L.C. ("Kingsmill Riess") as supplemental litigation counsel pursuant to section 327(a) of chapter 11 of title 11 of the United States Code as amended by the Bankruptcy

[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 Centers 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).

Abuse Prevention and Consumer Protection Act of 2005 (the "Bankruptcy Code") and Federal Rule of Bankruptcy Procedure 2014(a). In support of this Application, the Debtors respectfully state as follows:

Jurisdiction

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

2. On the Petition Date, the Debtors each filed for relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"). Since that time, the Debtors have continued to operate their businesses and manage their properties as debtors in possession, pursuant to §§ 1107 and 1108 of the United States Bankruptcy Code.

3. In 1989, OCA was formed and is the direct parent of each of the other debtors-in-possession. The Debtors maintain their corporate headquarters in Metairie, Louisiana.

4. OCA was formed to pursue a strategy of developing, consolidating and providing start up capital, furniture, fixtures, equipment, locations and business services to orthodontic practices on a national basis. While orthodontic practices have been the main focus of the Debtors, over the years the Debtors have expanded their client base to include other dental providers, including general practitioners and pediatric specialists. In addition, the Debtors, through other nondebtor subsidiaries, have expanded the scope of their operations to include international opportunities which have led to affiliating practices in other countries.

5. Through long-term contracts, typically a business services agreement ("Business Service Agreements" or "BSA's") with affiliated orthodontic or dental practices ("Affiliated Practices"), the Debtors provide capital for the development and growth and manage the business

aspects of the Affiliated Practices, thereby allowing practitioners to focus on delivering quality patient care. The Business Services Agreements generally provide that the Affiliated Practices will pay the Debtors monthly service fees based upon a percentage of the practices' operating profit or practice revenue and reimbursement of practice-related expenses. The Business Service Agreements represent the primary asset of the Debtors and substantially all of the Debtors' revenue is generated through the Business Service Agreements. These revenues are critical to the Debtors' operations and are necessary to fund the expenses of the Affiliated Practices.

6. Beginning in late 2004, certain Affiliated Practices began to default under the Business Service Agreements, resulting in significant litigation between the Debtors and these Affiliated Practices. As a result, the Debtors have been forced to expend significant resources prosecuting the litigation with the Affiliated Practices. The litigation with the Affiliated Practices steadily increased through 2005.

7. Continuing into the early part of 2006, there was a dramatic increase in the number of Affiliated Practices defaulting under the Business Service Agreements. The Debtors were unable to stop the pace of defaulting Affiliated Practices, and, as a result, the Debtors' revenues substantially decreased and the Debtors were ultimately forced to file Chapter 11 of the Bankruptcy Code on March 14, 2006.

8. As an almost universal practice, the Affiliated Practices who default on their BSA's do not seek a judicial declaration that they are relieved of their obligations under the BSA's, or that the Debtors have breached the obligations. Rather, the defaulting Affiliated Practices simply unilaterally declare a breach by the Debtors, and, simply stop performing under the BSA's, thus depriving the Debtors of contractual revenue and eroding the economics of scale on which the Debtors' business relies. Notwithstanding that the Affiliated Practices have

unilaterally declared a default and stopped performing under the BSA's, the Affiliated Practices nonetheless continue to use the property of the Debtors, including furniture, fixtures, equipment, leasehold improvements, and the like.

9. The Debtors are in the process of filing adversary actions against all of these defaulted/terminated Affiliated Practices. In view of the recent filing of a Plan and Disclosure Statement, the Debtors believe these adversary actions should be filed as soon as possible, preferably before the hearing of the Disclosure Statement, which is scheduled for June 19, 2006. There are approximately 55 Affiliated Practices who have defaulted/terminated under Affiliated Practices of the BSA's, against whom litigation has not yet been initiated. Because of the volume of suits to be filed, the need to expeditiously file and prosecute these suits, and the anticipated responses by the Affiliated Practices, including discovery and motion practice, the Debtors seek to retain supplemental counsel to work on a coordinated basis with Heller, Draper, Hayden, Patrick & Horn, LLC ("Heller Draper"), their general bankruptcy counsel, to file and prosecute the adversary claims against the defaulted/terminated Affiliated Practices, and to address any defenses and objections raised by the defaulted/terminated Affiliated Practices, whether raised in the context of the adversary actions or in objections to the Plan and/or Disclosure Statement, or in objecting to proofs of claim filed by the Affiliated Practices.

Relief Requested

10. Pursuant to § 327(e) of the Bankruptcy Code, Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the Debtors hereby seek the entry of an order authorizing them to retain and employ Kingmill Riess, L.L.C. ("Kingsmill Riess") as supplemental litigation counsel in these chapter 11 cases, to assist Heller Draper, general bankruptcy counsel, in the above-described matters. In making this application, the

Debtors incorporate by reference the Affidavit of Marguerite K. Kingsmill on behalf of Kingsmill Riess (the "Affidavit"), a copy of which is annexed hereto as Exhibit A.

Basis for Relief

11. Section 327(e) of the Bankruptcy Code authorizes a debtor in possession to employ one or more attorneys to represent the debtor on specified special matters so long as those attorneys do not hold or represent an interest adverse to the estate with respect to the matters on which they are to be retained. See 11 U.S.C. §§ 327(e), 1106 and 1107.

12. To the best of the Debtors' knowledge information and belief, Kingsmill Riess has no disqualifying connection with respect to the litigation matters on which that they are being retained to assist Heller Draper. To the best of the Debtors' knowledge, information and belief, none of Kingsmill Riess' partners, counsel or associates represent or hold any interest adverse to the Debtors' estates with respect to the matters upon which Kingsmill Riess are to be engaged. The Debtors' knowledge, information and belief regarding the matters set forth herein are based, and made in reliance upon, the Affidavit.

Terms of Kingsmill's Employment

13. Kingsmill Riess has agreed to act as supplemental litigation counsel to Heller Draper and to render legal services to the Debtors as set forth above. Subject to Court approval in accordance with Sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and prior orders executed by this Court in this case, the Debtors have agreed to pay legal fees to Kingsmill Riess based on hourly rates that are based on the seniority and expertise of Kingsmill Riess' professionals and paraprofessionals.

14. The hourly rates for the attorneys at Kingsmill Riess who are expected to have primary responsibility for these matters are set forth below:

Marguerite K. Kingsmill - Partner - $350.00/hr.
Other Partners - $250.00 - $295.00/hr.
Associates - $185.00 - $225.00/hr.
Paralegal – up to $85.00/hr.

15. This compensation arrangement is consistent with arrangements entered into by Kingsmill Riess for similar services to be provided for clients such as the Debtors for similar representations of this type and complexity.

16. These hourly rates, and any applicable hourly rates as may be agreed to by the Debtors and Kingsmill Riess, are subject to periodic adjustments to reflect economic and other conditions.

17. Kingsmill Riess has advised that it is their practice to charge their clients in all areas of service for all expenses incurred in connection with the client's account. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, telephone conference calls, photocopying charges, travel expenses, computerized research, messengers, couriers, postage and other disbursements related to the representation. Kingsmill Riess will charge the Debtors for these expenses in a manner and at rates consistent with charges made generally to other clients of Kingsmill Riess.

18. Subject to the Court's approval, and in accordance with section 330(a) of the Bankruptcy Code, Kingsmill Riess will (a) charge for its legal services in one-tenth (.10) hour increments in accordance with its agreed hourly rates in effect on the date services are rendered, (b) seek reimbursement of actual and necessary out-of-pocket expenses, and (c) apply to the Court for payment of compensation and reimbursement of expenses.

Notice

19. Notice of this Motion has been given to (i) counsel to the official committee of unsecured creditors; (ii) the United States Trustee; (iii) counsel to the Secured Lenders; and (iv)

all parties who request notices pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure. In light of the nature of the relief requested, the Debtors submit that no further notice is required.

WHEREFORE, the Debtors respectfully request that this Court approve the retention and employment of Kingsmill Riess, L.L.C. as supplemental litigation counsel in these chapter 11 cases to represent the Debtors with respect to the matters set forth herein, and for such other and further relief as may be just and equitable.

New Orleans, Louisiana this 19th day of May, 2006.

Respectfully submitted,

/s/ William H. Patrick, III
WILLIAM H. PATRICK, III (La Bar No. 10359)
TRISTAN E. MANTHEY (La. Bar No. 24539)
HELLER, DRAPER, HAYDEN,
PATRICK & HORN, L.L.C.
650 Poydras Street, Suite 2500
New Orleans, Louisiana 70130
Telephone: (504) 581-9595
Fax: (504) 525-3761
Attorneys for Debtors and Debtors-in-Possession

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the above and foregoing Application upon all parties on the attached list, via United States Mail, postage prepaid this 19th day of May, 2006.

/s/ William H. Patrick, III

NOTICE ANNEX 1

Pursuant to 11 U.S.C. § 342, the address for each of the referenced Debtors is 3850 N. Causeway Blvd., Suite 800, Metairie, LA 70002

DEBTORS	CASE NO.	TAX I.D. NO.
OCA, Inc.	06-10179	72-1278948
Orthodontic Centers of Alabama, Inc.	06-10180	72-1277093
Orthodontic Centers of Arizona, Inc.	06-10181	72-1291232
Orthodontic Centers of Arkansas, Inc.	06-10182	72-1418907
Orthodontic Centers of California, Inc.	06-10183	72-1289079
Orthodontic Centers of Colorado, Inc.	06-10184	72-1277095
Orthodontic Centers of Connecticut, Inc.	06-10185	72-1300411
Orthodontic Centers of Florida, Inc.	06-10186	72-1277097
Orthodontic Centers of Georgia, Inc.	06-10187	72-1277098
Orthodontic Centers of Illinois, Inc.	06-10188	72-1291230
Orthodontic Centers of Indiana, Inc.	06-10189	72-1280663
Orthodontic Centers of Kansas, Inc.	06-10190	72-1418908
Orthodontic Centers of Kentucky, Inc.	06-10191	72-1280666
Orthodontic Centers of Louisiana, Inc.	06-10192	72-1277100
Orthodontic Centers of Maine, Inc.	06-10193	72-1444186
Orthodontic Centers of Maryland, Inc.	06-10194	72-1291229
Orthodontic Centers of Massachusetts, Inc.	06-10195	72-1305666
Orthodontic Centers of Michigan, Inc.	06-10196	72-1406962
Orthodontic Centers of Minnesota, Inc.	06-10197	72-1336453
Orthodontic Centers of Mississippi, Inc.	06-10198	72-1277101
Orthodontic Centers of Missouri, Inc.	06-10199	72-1406961
Orthodontic Centers of Nebraska, Inc.	06-10200	46-0490483
Orthodontic Centers of Nevada, Inc.	06-10201	72-1305665
Orthodontic Centers of New Hampshire, Inc.	06-10202	72-1435495
Orthodontic Centers of New Jersey, Inc.	06-10203	72-1302916
Orthodontic Centers of New Mexico, Inc.	06-10204	72-1418906
Orthodontic Centers of New York, Inc.	06-10205	72-1406960
Orthodontic Centers of North Carolina, Inc.	06-10206	72-1277102
Orthodontic Centers of North Dakota, Inc.	06-10207	72-1406959
Orthodontic Centers of Ohio, Inc.	06-10208	72-1320361
Orthodontic Centers of Oklahoma, Inc.	06-10209	72-1406958
Orthodontic Centers of Oregon, Inc.	06-10210	72-1336342
Orthodontic Centers of Pennsylvania, Inc.	06-10211	72-1302918
Orthodontic Centers of Puerto Rico, Inc.	06-10212	72-1431568
Orthodontic Centers of Rhode Island, Inc.	06-10213	72-1305667
Orthodontic Centers of South Carolina, Inc.	06-10214	72-1277104
Orthodontic Centers of Tennessee, Inc.	06-10215	72-1277106
Orthodontic Centers of Texas, Inc.	06-10216	72-1288024
Orthodontic Centers of Utah, Inc.	06-10217	72-1406957
Orthodontic Centers of Virginia, Inc.	06-10218	72-1277107
Orthodontic Centers of Washington, Inc.	06-10219	72-1291231
Orthodontic Centers of Washington, D.C., Inc.	06-10220	72-1432484
Orthodontic Centers of West Virginia, Inc.	06-10221	72-1334091
Orthodontic Centers of Wisconsin, Inc.	06-10222	72-1406956
Orthodontic Centers of Wyoming, Inc.	06-10223	72-1425961
OrthAlliance, Inc.	06-10229	95-4632134
OrthAlliance New Image, Inc.	06-10230	95-4780308
OCA Outsource, Inc.	06-10231	20-0719255
PedoAlliance, Inc.	06-10232	33-0800432

UNITED STATES BANKRUPTCY COURT
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	:	**06-10179 (B)**
OCA, INC., *et al.*,	:	
3850 North Causeway Blvd., Suite 800	:	
Metairie, LA 70002	:	
TAX ID NO. 72-XXX8948	:	**(Jointly Administered)**
Debtors.	:	

AFFIDAVIT OF MARGUERITE K. KINGSMILL IN SUPPORT OF THE APPLICATION FOR AN ORDER AUTHORIZING EMPLOYMENT OF KINGSMILL RIESS, L.L.C. AS SUPPLEMENTAL LITIGATION COUNSEL

Pursuant to section 329(a) of title 11 of the United States Code as amended by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the "Bankruptcy Code") and Rules 2014 and 2016(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Marguerite K. Kingsmill hereby certifies as follows:

1. I am a partner in the law firm of Kingsmill Riess, L.L.C. ("Kingsmill Riess"), a law firm.

2. I submit this Affidavit in support of the above-referenced debtors and debtors in possession Application by the Debtors for Entry of an Order Authorizing the Employment of Kingsmill Reiss as Supplemental Litigation Counsel (the "Application").

3. The Debtors propose to retain Kingsmill Riess to provide professional services in connection with litigation against and/or related to and arising from the Business Service Agreements with the defaulted/terminated Affiliated Practices.

4. To the best of my knowledge based on the information provided by the Debtors to Kingsmill Reiss, and except as expressly set forth herein, neither I nor any partner, counsel or associate of Kingsmill Riess, nor the firm itself, in so far as I have been able to ascertain, has any

disqualifying connection with the Debtors, their creditors, or any other party-in-interest in the Debtors' bankruptcy cases, or their respective attorneys or other professionals, or any employee of the Office of the United States Trustee, with respect to the matters in which they are to be employed.

5. In accordance with Bankruptcy Code Section 327(a), neither I, nor any partner, counsel or associate of Kingsmill Riess, nor the firm itself, represents, will represent, holds or will hold any interest adverse to the Debtors or their respective estates with respect to the matters upon which Kingsmill Riess is proposed to be engaged. Stated more directly, Kingsmill Reiss does not represent any of the defaulted/terminated Affiliated Practices.

6. Kingsmill Riess, in the course of its business, typically works with or against law firms and accounting firms throughout the United States who may represent creditors and other parties in interest in these cases. Other than the professionals identified by the Debtors, Kingsmill Riess has no way of identifying such law firms and accounting firms, but consistent with its employment as counsel for the Debtors pursuant to Bankruptcy Code section 327(e), such relationships do not constitute representing or holding an interest adverse to the Debtors' estates with respect to the matters on which Kingsmill Riess are to be employed.

7. The Debtors have agreed to pay legal fees to Kingsmill Riess on an hourly basis at rates that are based on the seniority and expertise of Kingsmill Riess' professionals and paraprofessionals. The initial hourly rates for the attorneys at Kingsmill Riess who are expected to have primary responsibility for these matters are set forth below:

Marguerite K. Kingsmill - Partner - $350.00/hr.
Other Partners - $250.00 - $295.00/hr.
Associates - $185.00 - $225.00/hr.
Paralegal – up to $85.00/hr.

8. This compensation arrangement is consistent with arrangements entered into by Kingsmill Riess for similar services to be provided for clients such as the Debtors for representations of the type and complexity described in the Application.

9. These hourly rates and any applicable hourly rates as may be agreed to by the Debtors and Kingsmill Riess are subject to periodic adjustments to reflect economic and other conditions.

10. It is the policy of Kingsmill Riess to charge its clients in all areas of service for all other expenses incurred in connection with the client's account. The expenses charged to clients include, among other things, mail and express mail charges, special or hand delivery charges, telephone conference calls, photocopying charges, travel expenses, computerized research, messengers, couriers, postage and other disbursements related to the representation.

11. Subject to the Court's approval, and in accordance with Section 330(a) of the Bankruptcy Code, Kingsmill Riess intends to (a) charge for its legal services in one-tenth (.10) hour increments in accordance with its agreed hourly rates in effect on the date services are rendered, (b) seek reimbursement of actual and necessary out-of-pocket expenses, (c) be paid in accordance with the administrative order for interim compensation entered in this case; and (d) apply to the Court for payment of compensation and reimbursement of expenses. Kingsmill Riess will maintain and submit with its fee applications detailed, daily time entries for each individual in one-tenth (.10) hour increments explaining the services provided, as well as a categorized summary of all disbursements and expenses for which Kingsmill Riess is seeking reimbursement.

12. Kingsmill Riess has received no payments from the Debtors in connection with this representation and did not represent the Debtors prior to the Petition Date. Accordingly, as of the Petition Date, Kingsmill Riess was not owed any amount by the Debtors.

13. Kingsmill Riess will comply with all of the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any orders of this Court with respect to fee and expense reimbursement applications of professionals employed by bankruptcy estates.

14. No promises have been made by Kingsmill Riess, nor any partner, counsel or associate thereof with respect to sharing any compensation Kingsmill Riess may receive in connection with their representation of the Debtors.

15. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Marguerite Kingsmill

Marguerite K. Kingsmill

Sworn to and subscribed before me

this 19th day of May, 2006.

Christy R. Bergeron

NOTARY PUBLIC

CHRISTY R. BERGERON
LA BAR # 22944
NOTARY PUBLIC
Parish of Orleans, State of Louisiana
My Commission is for Life