

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

IN RE: : Chapter 11  
: :  
DVI, INC., :  
DVI FINANCIAL SERVICES, INC. and :  
DVI BUSINESS CREDIT CORPORATION :  
: :  
: :  
Debtors : Case No. 03-  
: thru Case No. 03-

**MOTION FOR ORDER DIRECTING JOINT ADMINISTRATION  
OF CHAPTER 11 CASES PURSUANT TO FEDERAL RULE  
OF BANKRUPTCY PROCEDURE 1015(b)**

DVI, Inc., DVI Financial Services, Inc. and DVI Business Credit Corporation  
(collectively, the “Debtors”), by their undersigned counsel, hereby move this Court for the  
entry of an Order, in the form attached hereto, providing for joint administration of the  
Debtors’ Chapter 11 cases and, in support thereof, respectfully aver as follows:

**Background**

1. On this date, each of the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, together with various motions and applications seeking certain typical “first day” orders.
2. The Debtors have continued in possession of their respective assets and the management of their businesses as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Debtors primarily operate as premier independent specialty finance companies that extend loans or leases to various healthcare providers to fund such providers' operations and facilitate the purchase of diagnostic medical equipment and leasehold improvements. DVI, Inc. is the parent company of Debtors DVI Financial Services, Inc. and DVI Business Credit Corporation. Debtor DVI Financial Services, Inc. provides lease or loan financing to healthcare providers for the acquisition or lease of sophisticated medical equipment such as MRI units, CT scanners and other diagnostic equipment. DVI Business Credit Corporation extends revolving lines of credit to healthcare providers based upon accounts receivable generated from such provider's facilities to provide them with, among other things, working capital. Debtor DVI, Inc. owns 100% of the equity in Debtors DVI Financial Services, Inc. and DVI Business Credit Corporation in addition to equity interests that it holds in other non-debtor subsidiaries.

4. As of the date hereof, the Debtors collectively employ approximately 221 people in their domestic and foreign operations. As of June 30, 2003, the Debtors' consolidated, unaudited financial statements reflected assets of approximately \$1.9 billion and liabilities of approximately \$1.6 billion.

5. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. sections 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. section 157(b). Venue is proper before this Court pursuant to 28 U.S.C. sections 1408 and 1409.

**Relief Requested**

6. By this Motion, the Debtors request the entry of an order providing for the joint administration of these Chapter 11 cases and their consolidation for procedural purposes only, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

7. Pursuant to Federal Rule of Bankruptcy Procedure 1015(b), this Court may order the joint administration of the estates of “a debtor and an affiliate.” Fed.R.Bankr.P. 1015(b).

8. The term “affiliate” is defined in section 101(2) of the Bankruptcy Code, in relevant part, as follows:

(A) [an] entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor, other than an entity that holds such securities . . . .

(B) [a] corporation 20 percent or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the debtor, or by an entity that directly or indirectly owns, controls, or holds with power to vote, 20 percent or more of the outstanding voting securities of the debtor . . . .

11 U.S.C. Section 101(2).

9. Debtors DVI Financial Services, Inc. and DVI Business Credit Corporation, both of which are Delaware corporations, are direct subsidiaries of Debtor DVI, Inc., also a Delaware corporation. As a result, the Debtors are affiliates within the meaning of section 101(2) of the Bankruptcy Code and are subject to joint administration.

10. In addition, throughout these Chapter 11 cases, the Debtors intend to file with this Court a number of motions, applications, and other pleadings intended to apply to all of the Debtors’ Chapter 11 cases. The joint administration of these cases, including

the combining of notices to creditors of the respective estates and the calling and hearing of all matters related to the Debtors at the same time, will promote the economical and efficient administration of the estates by avoiding the time and expense associated with filing duplicate pleadings and preparing duplicate orders.

11. The rights of creditors will not be adversely affected by joint administration of these Chapter 11 cases because the relief sought herein is purely procedural and is in no way intended to affect substantive rights. The relief requested by this Motion will also simplify supervision of the administrative aspects of these cases by the Office of the United States Trustee.

12. The Debtors respectfully request that the caption of their cases be modified to reflect the joint administration of these chapter 11 cases, as follows:

13. It is important to note that this Motion does not seek to substantively consolidate the Debtors.

WHEREFORE, for the foregoing reasons, the Debtors respectfully request that this Court enter an Order, in the form attached, authorizing the joint administration of the Debtors' bankruptcy cases.

Respectfully submitted,

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Dated: August 25, 2003