

The Depository Trust Company

IMPORTANT

B#: 0619
DATE: September 19, 2000
TO: All Participants
CATEGORY: Proxy
FROM: DTC Proxy Department
ATTENTION: Proxy/Reorganization
SUBJECT: Diagnostic Health Services, Inc.

<u>Securities</u>	<u>CUSIP #</u>
Diagnostic Health Services Inc. Common	252446 10 9
Diagnostic Health Services Inc. Common Par \$0.001	252446 40 6

Diagnostic Health Services, Inc. is soliciting acceptances of its Amended Plan of Reorganization, dated August 30, 2000, (the "Plan"). Holders of Diagnostic Health Services, Inc. securities listed above of record on August 30, 2000, are eligible to vote by ballot to accept or reject the Plan.

Accompanying the Amended Disclosure Statement dated August 30, 2000 and other materials for voting on the Plan is the attached Order, which refers to a hearing on confirmation of the Plan, which is scheduled to be held on October 13, 2000. DTC also received the attached Ballot and Master Ballot. Participants may obtain copies of the materials for voting on the Plan by contacting:

Keith Miles Aurzada,
Akin, Gump, Strauss, Hauer & Feld LLP
(214) 969-2792

DTC will provide Diagnostic Health Services, Inc. with a listing of the Participants which had the Securities on deposit with DTC at the close of business on August 30, 2000, so that Participants may vote on the Plan.

Participants are referred to the Amended Disclosure Statement dated August 30, 2000, for a statement of the terms of the Plan.

Participants are advised that acceptances or rejections of the Plan must be received by the Counsel no later than October 10, 2000. Executed ballots should be returned to:

G. Michael Curran
Akin, Gump, Strauss, Hauer & Feld, LLP
1700 Pacific Avenue
Suite 4100
Dallas, TX 75201-4675

The Securities will remain eligible at DTC during the solicitation.

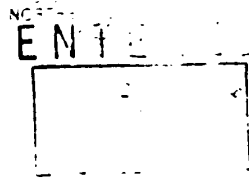
Participants are referred to RIPS Envelope 93 and LENP for details of the Plan.

Karl Baker

Manager

Attachments

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



IN RE: §
§
DIAGNOSTIC HEALTH SERVICES, INC., § Case Nos. 00-31909-11 through
et al., § 00-33-31913-11;
§ Case Nos. 00-31915-11 through
§ 00-31918-11;
§ Case No. 00-31920-11; and
§ Case Nos. 00-31922-11 through
§ 00-31926-11
§ Jointly Administered Under
Debtors. § Case No. 00-31909-HCA-11

**ORDER APPROVING DISCLOSURE STATEMENTS AND
FIXING TIME FOR FILING ACCEPTANCES OR REJECTIONS
OF PLAN, COMBINED WITH NOTICE OF HEARING ON
CONFIRMATION AND MOTION FOR SUBSTANTIVE CONSOLIDATION**

The Disclosure Statement in Support of Joint Plan of Reorganization by Debtors Under Chapter 11 of the United States Bankruptcy Code and the Disclosure Statement for Equity Interest Holders (collectively referred to as the "Disclosure Statements") having been filed by Diagnostic Health Services, Inc. ("DHS"), DHS Management Services, Inc. ("DHSMS"), Alpha Scanning Services, Inc. ("Alpha"), Mobile Diagnostic Systems, Inc. ("MDS"), Specialized Imaging Services, Inc. ("SIS"), Heart Institute of Tulsa, Inc. ("HIT"), SoCal Diagnostic Services, Inc. ("SDS"), Mobile Diagnostic Imaging, Inc. ("Mobile"), Sonomed, Inc. ("Sonomed"), Cardiac Concepts ("CCF"), Ultrasound Diagnostic Services, Ltd. ("UDS"), SoCal Subsidiary I, Inc., St. Louis Mobile Ultrasound, Inc. ("SLM"), SoCal Subsidiary II, Inc., and Santa Monica Imaging Center Limited Partnership ("SMICLP"), debtors and debtors in possession, (the "Debtors") on July 18, 2000, referring to a Joint Plan of Reorganization by Debtors Under Chapter 11 of the United States Bankruptcy Code dated August 30, 2000 ("Plan"); and

It having been determined after hearing on notice that the Disclosure Statements contain adequate information:

IT IS ORDERED, and notice is hereby given, that

A. The Disclosure Statements as amended and filed by the Debtors dated August 30, 2000 are approved.

B. October 10, 2000 is fixed as the last day for filing written acceptances or rejections of the plan referred to above.

C. The Debtors shall serve only the Disclosure Statement for Equity Security Holders on the equity security holders of DHS. All other creditors and parties in interest shall be served with the Disclosure Statement in the Support of Joint Plan of Reorganization by Debtors Under Chapter 11 of the United States Bankruptcy Code. The Disclosure Statement for Equity Security Holders contains adequate information for purposes of notifying and advising the equity security holders of DHS of the contents of the Plan and other information required by the Bankruptcy Code.

D. The Plan, the appropriate Disclosure Statement, and a ballot, if applicable, conforming to Official Form 14 shall be mailed to creditors and other parties in interest, and shall be transmitted to the United States trustee, as provided in Fed.R.Bankr.P. 3017(d). Equity security holders shall be served with only the Disclosure Statement for Equity Security Holders.

E. October 13, 2000 at 2:00 p.m. is fixed for the hearing on confirmation of the Plan. The hearing will be held in the courtroom of The Honorable Harold C. Abramson, 1100 Commerce Street, 14th Floor, Dallas, Texas.

F. October 10, 2000 is fixed as the last day for filing and serving pursuant to Fed.R.Bankr.P. 3020(b)(1) written objections to confirmation of the Plan. Any such objection

must be filed with the clerk of the United States Bankruptcy Court for the Northern District of Texas, Dallas Division and served on counsel for the Debtors and the Unsecured Creditors Committee at the addresses shown below such that the objection is received on or before 4:00 p.m. on October 10, 2000.

G. October 13, 2000 at 2:00 p.m. is fixed as the date and time for the hearing on the Motion for Substantive Consolidation filed by the Debtors on August 22, 2000. The hearing will be held in the courtroom of The Honorable Harold C. Abramson, 1100 Commerce Street, 14th Floor, Dallas, Texas. The Motion for Substantive Consolidation seeks this Court's authority to combine the assets and liabilities of the above-referenced Debtors for purposes of claims and distribution of assets. A complete copy of the Motion for Substantive Consolidation may be obtained by written request from Keith Miles Aurzada at Akin, Gump, Strauss, Hauer & Feld, L.L.P., 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201-4675.

DATED: AUG 30 2000

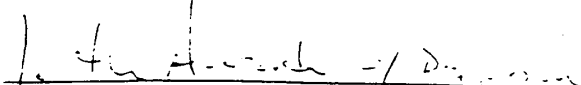
ORIGINAL SIGNED BY
HAROLD C. ABRAMSON

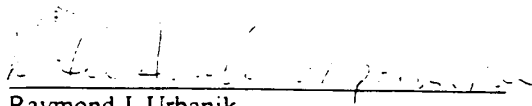
UNITED STATES BANKRUPTCY JUDGE

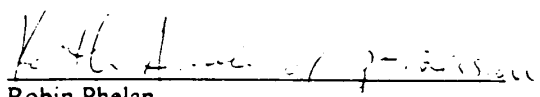
AGREED AS TO FORM:



G. Michael Curran
Keith Aurzada
AKIN, GUMP, STRAUSS, HAUER & FELD, L.L.P.
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201-4675
Attorneys for Debtors


Martin A. Sosland
WEIL, GOTSHAL & MANGES LLP
100 Crescent Ct., Suite 1300
Dallas, Texas 75201
Attorneys for Unsecured Creditors Committee


Raymond J. Urbanik
MUNSCH HARDT KOPF & HARR, P.C.
4000 Fountain Place
1445 Ross Avenue
Dallas, TX 75202
Attorneys for Matrix Funding Corporation


Robin Phelan
HAYNES AND BOONE
901 Main Street, Suite 3100
Dallas, Texas 75202
Attorneys for General Electric Corporation

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:	§	
	§	
DIAGNOSTIC HEALTH SERVICES, INC., et al.,	§	Case Nos. 00-31909-11 through 00-31913-11;
	§	Case Nos. 00-31915-11 through 00-31918-11;
	§	Case No. 00-31920-11; and
	§	Case Nos. 00-31922-11 through 00-31926-11
	§	Jointly Administered Under
Debtors.	§	Case No. 00-31909-HCA-11

**BALLOT FOR ACCEPTING OR
REJECTING PLAN OF REORGANIZATION**

Debtors filed a plan of reorganization dated August 30, 2000 (the "Plan") in this case. The Court has approved a disclosure statement with respect to the Plan (the "Disclosure Statement"). The Disclosure Statement provides information to assist you in deciding how to vote your ballot. If you do not have a Disclosure Statement, you may obtain a copy from Keith Miles Aurzada, Akin, Gump, Strauss, Hauer & Feld, L.L.P., 1700 Pacific Avenue, Suite 4100, Dallas, Texas 75201-4675. (Telephone No. 214-969-2792 and telecopy number 214-969-4343). Court approval of the Disclosure Statement does not indicate approval of the Plan by the Court.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and your classification and treatment under the Plan. Your claim has been placed in Class 4 of the Plan if you have an unsecured claim of less than \$500 and in Class 3 if you have an unsecured claim greater than \$500.00 under the Plan. If you hold a secured claim it is a Class 2 claim under the Plan.

If your ballot is not received by G. Michael Curran, Akin, Gump, Strauss, Hauer & Feld, L.L.P., 1700 Pacific Avenue, Suite 4100, Dallas, TX 75201-4675 on or before October 10, 2000 at 4:00 p.m. (Dallas time), and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan. Ballots may be submitted by facsimile to G. Michael Curran at (214) 969-4343.

If the Plan is confirmed by the Bankruptcy Court it will be binding on you whether or not you vote.

ACCEPTANCE OR REJECTION OF THE PLAN

The undersigned, a holder of a Class 2 - secured claim or Class 3 - unsecured claim greater than \$500 against the Debtor in the unpaid amount of _____ dollars (\$_____):

(Check one box only)

[] ACCEPTS THE PLAN

[] REJECTS THE PLAN

If your claim is an unsecured Class 3 claim and you wish to be treated as a Class 4 claimant (unsecured claim equal to or less than \$500.00), please check this box .

DATED: _____

Print or type name: _____

Signature: _____

Title (if corporation or partnership)

Address: _____

RETURN THIS BALLOT TO:

G. Michael Curran
Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201-4675
Telephone: (214) 969-2792
Facsimile: (214) 969-4343