KING & SPALDING LLP

RECEIVED
MDCD-OWD

FEB 1 ? 2003

WORKFORCE TRANSITION

King & Spalding LLP
191 Peachtree Street
Atlanta, Georgia 30303-1763
Main: 404/572-4600
Fax: 404/572-5100
www.kslaw.com

Laura K. Johnson
Direct Dial: 404/572-3528
Direct Fax: 404/572-5134
ljohnson@kslaw.com

February 18, 2003

BY OVERNIGHT DELIVERY

Ms. Deborah Hennessey
Michigan Department of Career Development
201 N. Washington Square, 5th Floor
Lansing, Michigan 48913

Re: Charter House of Farmington Hills
21017 Middlebelt Road
Farmington Hills, Michigan 48336

Charter House of Novi
24500 Meadowbrook Road
Novi, Michigan 48375

Dear Ms. Hennessey:

This Notice is being submitted to you and the other parties required to be notified, as reflected below, in accordance with the Worker Adjustment and Retraining Notification Act ("WARN").

You and they are hereby informed that Centennial HealthCare Management Corporation intends to cease operations at the facilities located at the following addresses:

Charter House of Farmington Hills 21017 Middlebelt Road Farmington Hills, Michigan 48336 (Oakland County)	Charter House of Novi 24500 Meadowbrook Road Novi, Michigan 48375 (Oakland County)

This cessation of operations will cause all Centennial Employee Management Corporation ("CEMC") employees at this facility to be permanently laid off from employment with CEMC. This cessation of operations and the resulting layoffs are expected to take place between March 31, 2003 and April 14, 2003. There is reason to be hopeful that this facility will transition to a new operator/manager without any interruption in services. In that event, it is possible that the new operator/manager will offer employment to some or all individuals who have worked at the facility.

The affected employees at the Charter House of Novi facility are not represented by a union. Some of the employees at the Charter House of Farmington Hills facility are represented by Service Employees' International Union, Local 79:

Willie Hampton, CEO
Mary Nelson, Bargaining Agent
SEIU, Local 79
2604 Fourth St.
Detroit, MI 48201

There will be no "bumping" or "relocation" rights for any of the employees at these facilities.

Attached as Exhibit A hereto is a copy of the Notice that will be delivered individually, by hand or such other means as may have been necessary, to each of the affected employees who is not represented by a union, including those on vacation, layoff, or leave of absence for any reason. Exhibit B hereto is a copy of the Notice that will be delivered to appropriate union representatives of the employees at the Charter House of Farmington Hills facility who are represented by SEIU Local 79. Exhibit C includes layoff dates, the job titles of the affected positions, and the number of affected employees in each of these job classifications.

If you need any further information, do not hesitate to contact Ann Birsa at (770) 730-1251 or 400 Perimeter Center Terrace, Suite 650, Atlanta, Georgia 30346.

Respectfully,

Laura K. Johnson

Enclosures
cc: Sarah R. Borders

BY OVERNIGHT DELIVERY

Mayor of Farmington Hills
31555 W. Eleven Mile Road
Farmington Hills, Michigan 48336-1165

Mayor of Novi
45175 West 10 Mile Road
Novi, Michigan 48375

Honorable Thomas A. Law, Chairman
Oakland County Board of Commissioners
1200 North Telegraph Road
Pontiac, Michigan 48341-0421

KING & SPALDING LLP

RECEIVED
MDCD-OWD

FEB 2 0 2003

WORKFORCE TRANSITION

King & Spalding LLP
191 Peachtree Street
Atlanta, Georgia 30303-1763
Main: 404/572-4600
Fax: 404/572-5100
www.kslaw.com

Laura K. Johnson
Direct Dial: 404/572-3528
Direct Fax: 404/572-5134
ljohnson@kslaw.com

February 19, 2003

BY OVERNIGHT DELIVERY

Ms. Deborah Hennessey
Michigan Department of Career Development
201 N. Washington Square, 5th Floor
Lansing, Michigan 48913

Re: Charter House of Farmington Hills
21017 Middlebelt Road
Farmington Hills, Michigan 48336

Charter House of Novi
24500 Meadowbrook Road
Novi, Michigan 48375

Dear Ms. Hennessey:

This Notice is being submitted to you and the other parties required to be notified, as reflected below, in accordance with the Worker Adjustment and Retraining Notification Act ("WARN").

You and they are hereby informed that Paragon Rehabilitation Inc. intends to cease operations at the facilities located at the following addresses:

Charter House of Farmington Hills 21017 Middlebelt Road Farmington Hills, Michigan 48336 (Oakland County)	Charter House of Novi 24500 Meadowbrook Road Novi, Michigan 48375 (Oakland County)

This cessation of operations will cause all Paragon Rehabilitation Inc. ("Paragon") employees at these facilities to be permanently laid off from their employment with Paragon at these facilities. This cessation of operations and the resulting layoffs are expected to take place between March 31, 2003 and April 14, 2003. There is reason to be hopeful that these facilities will transition to new operators/managers without any interruption in services. In that event, it is possible that the new operators/managers will offer employment to some or all individuals who have worked at these facilities.

Due to the fact that fewer than fifty Paragon employees will be laid off from each facility, Paragon does not believe that the WARN Act applies to these layoffs. These notices are being provided out of an abundance of caution.

Attached as Exhibit A hereto is a copy of the Notices that will be delivered individually, by hand or such other means as may have been necessary, to each of the affected employees, including those on vacation, layoff, or leave of absence for any reason. Exhibit B includes the dates of the layoffs, the job titles of the affected positions, and the number of affected employees in each of these job classifications.

There will be no "bumping" or "relocation" rights for any of the employees at these facilities.

If you need any further information, do not hesitate to contact Ann Birsa at (770) 730-1251 or 400 Perimeter Center Terrace, Suite 650, Atlanta, Georgia 30346.

Respectfully,

Laura K. Johnson

Enclosures
cc: Sarah R. Borders

BY OVERNIGHT DELIVERY

Mayor of Farmington Hills
31555 W. Eleven Mile Road
Farmington Hills, Michigan 48336-1165

Mayor of Novi
45175 West 10 Mile Road
Novi, Michigan 48375

Honorable Thomas A. Law, Chairman
Oakland County Board of Commissioners
1200 North Telegraph Road
Pontiac, Michigan 48341-0421