



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorganization/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 064-2001) July 26, 2001

Paracelsus Healthcare Corporation - 10% Sub. Notes due 8/15/2006

The above Company's Plan of Reorganization (Plan) filed under Chapter XI of the Federal Bankruptcy Code, became effective on July 12, 2001. Pursuant to the Plan, holders of **record on October 31, 2000** will be entitled to receive a distribution of new common stock, cash and new notes per \$1,000 p.a. at the following rates:

New Common -	17.22 shares of Clarent Hospital Corporation
Cash -	\$37.77
New Notes -	\$366.67 p.a.

Members are advised that, since the surrender of the certificates was not required and are deemed worthless as of the effective date, deliveries on or after October 31, 2000 should be evidenced by due-bills representing the NEW securities. Upon issuance of new securities, a due-bill redemption date will be established.

Questions regarding this notice should be directed to: Market Data Integrity Department, (203) 375-9609.

Dorothy L. Kennedy
Director