

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

PROOF OF CLAIM


1. Name of Debtor (YOU MUST SELECT ONE AND MAY ONLY SELECT ONE DEBTOR):

- Graceway Pharmaceuticals, LLC (11-13036)
- Graceway Pharma Holding Corp. (11-13037)
- Graceway Holdings, LLC (11-13038)
- Chester Valley Holdings, LLC (11-13039)
- Chester Valley Pharmaceuticals, LLC (11-13041)
- Graceway Canada Holdings, Inc. (11-13042)
- Graceway International, Inc. (11-13043)

This form should not be used to assert a claim for an administrative expense arising after the commencement of the case, which should be filed pursuant to 11 U.S.C. § 503. Additionally, this form should not be used to assert a claim under 11 U.S.C. § 503(b)(9), which should be filed pursuant to the 503(b)(9) Administration Order, entered on October 17, 2011 [Docket No. 122].

2. Name of Creditor (the person or other entity to whom the Debtor owes money or property):

Name and address where notices should be sent:

 28445961002309
 KORBER MEDIPAK NA INC.
 ATTN: PRESIDENT OR GENERAL COUNSEL
 14501 58TH STREET NORTH
 CLEARWATER, FL 33767 YO

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
 (If known)

Filed on: _____

Name and address where payment should be sent (if different from above):

RECEIVED

NOV 11 2011

BMC GROUP

Telephone number: 727-538-4644

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the Debtor or trustee in this case.

If an amount is identified above, you have a claim scheduled by one of the Debtors as shown. Please review the bar date notice to determine whether you must file a proof of claim to preserve your rights. The bar date notice is available online at www.bmcgroup.com/graceway or upon request at the address on the back of this form.

THIS SPACE IS FOR COURT USE ONLY

3. Amount of Claim as of Date Case Filed: \$ 22,080.34

If all or part of your claim is secured, complete item 6 below; however, if all of your claim is unsecured, do not complete item 6.
 If all or part of your claim is entitled to priority, complete item 7.

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

4. Basis for Claim: SERVICES PERFORMED
 (See instruction #4 on reverse side.)

5. Last four digits of any number by which creditor identifies Debtor: 0682
 5a. Debtor may have scheduled account as: _____
 (See instruction #5a on reverse side.)

6. Secured Claim (See instruction #6 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Equipment Other

Describe:

Value of Property: \$ _____ Annual Interest Rate _____%

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

8. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

9. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 9 and definition of "redacted" on reverse side.)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain in an attachment.

7. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).

Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).

Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).

Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).

Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(_____).

Amount entitled to priority:

\$ _____

**Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

10. Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

FOR COURT USE ONLY

Graceway Pharmaceuticals LLC



00015

Date: 11-09-11

Signature: _____

Printed Name: Robert Johnson, Controller

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the Debtor, there may be exceptions to these general rules. The attorneys for the Debtors and their court-appointed claims agent are not authorized and are not providing you with any legal advice.

PLEASE SEND YOUR ORIGINAL, COMPLETED CLAIM FORM AS FOLLOWS: **IF BY MAIL:** BMC GROUP, INC., ATTN: GRACEWAY PHARMACEUTICALS CLAIMS PROCESSING, P.O. BOX 3020, CHANHASSEN, MN 55317-3020. **IF BY HAND DELIVERY OR OVERNIGHT COURIER:** BMC GROUP, INC., ATTN: GRACEWAY PHARMACEUTICALS CLAIMS PROCESSING, 18750 LAKE DRIVE EAST CHANHASSEN, MN 55317. **ANY PROOF OF CLAIM SUBMITTED BY FACSIMILE OR E-MAIL WILL NOT BE ACCEPTED.**

THE GENERAL BAR DATE FOR CLAIMS IN THESE CHAPTER 11 CASES IS DECEMBER 30, 2011 4:00 P.M. (PREVAILING EASTERN TIME). THE GOVERNMENTAL BAR DATE FOR CLAIMS OF GOVERNMENTAL ENTITIES IN THESE CHAPTER 11 CASES IS MARCH 27, 2012 AT 4:00 P.M. (PREVAILING EASTERN TIME).

1. Court, Name of Debtor, and Case Number:

These Chapter 11 cases were commenced in the United States Bankruptcy Court for the District of Delaware. You must select the Debtor against which you are asserting your claim. A **SEPARATE PROOF OF CLAIM FORM MUST BE FILED AGAINST EACH DEBTOR.**

2. Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. Please provide us with a valid email address. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

3. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 6 and 7. Check the box if interest or other charges are included in the claim.

4. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

5. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the Debtor's account or other number used by the creditor to identify the Debtor.

5a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the Debtor.

6. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

7. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507(a):

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

8. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the Debtor credit for any payments received toward the debt.

9. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 4. Do not send original documents, as attachments may be destroyed after scanning.

10. Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A Debtor is the person, corporation, or other entity that has filed a bankruptcy case.

The Debtors in these Chapter 11 cases are:

Graceway Pharmaceuticals, LLC (11-13036)
Graceway Pharma Holding Corp. (11-13037)
Graceway Holdings, LLC (11-13038)
Chester Valley Holdings, LLC (11-13039)
Chester Valley Pharmaceuticals, LLC (11-13041)
Graceway Canada Holdings, Inc. (11-13042)
Graceway International, Inc. (11-13043)

Certain of the Debtors were known by other names within the past six years; such former names are identified in the notice of commencement.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the Debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt owed by the Debtor that arose on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the Debtor on the date of the bankruptcy filing. The creditor must file the form with The Garden City Group, Inc. as described in the instructions above.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the Debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a Debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the Debtor money (has a right to setoff).

Section 503(b)(9) Claim

A Section 503(b)(9) claim is a claim for the value of any goods received by the Debtor within 20 days before the date of commencement of a bankruptcy case in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business.

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, please provide a stamped self-addressed envelope and a copy of this proof of claim when you file the original claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the Debtor. These entities do not represent the bankruptcy court or the Debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptcy court.

11/03/11 (08:31)

AGING ANALYSIS SORTED BY SEARCH KEY

Link USA
Aging Analysis Code : 003 45 Day Aging
Aging On : Due date
As on Date : 11/03/2011

Customer :
From :
to : ZZZZZZ

Invoice	Receipt Document	Inv. Date	Due Date	Cur	Inv Amt - FC	HC Amt Rcvd - FC	Balance in FC	Balance in HC	Cur to 15PD	15-45 Past Due	46-60 Past Due	+60 Past Due	Open Amount in HC	Between
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Search Key : GENERALTECH
Customer : 500663
Account: Accounts Payable
PO Box 4354
Portland, OR 97208-4354
Terms of Payment : 300 NET 30

Credit Analyst : STD 0
Standard Customer : 5,284.50
RSV 5600493 : 10/19/11|11/18/11|USD
TOTAL FOR CUSTOMER 500663 In HC USD : 346,498.65
Country : US
UNITED STATES : 0.00
7,043.38 : 8,521.00
87,385.02

Search Key : GLAXO NC
Customer : 500344
Account: OPTICAL DIVISION
PO BOX 1217
ZEBULON, NC 27597
Terms of Payment : 300 NET 30

Credit Analyst : STD 0
Standard Customer : 319.90
RSV 5502523 : 07/07/11|08/06/11|USD
TOTAL FOR CUSTOMER 500344 In HC USD : 319.90
Country : US
UNITED STATES : 319.90
0.00

Search Key : GLAXOSMITHKLINE
Customer : 500659
Account: Glaxosmithkline Biologicals NA
3080 Boul. Carrefour Blvd
Suite 400
Laval, Quebec - H7T 2R5
Terms of Payment : 600 Net 60

Fin. Customer	Group	STD	0	Standard Customer	544.53	1,078.23	1,258.75	243.80	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	544.53
RSI 55024797		03/31/11	10/30/11	USD	544.53	1,078.23	1,258.75	243.80	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	544.53
RSI 55025444		08/12/11	10/11/11	USD	1,078.23	1,258.75	243.80	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025539		08/30/11	10/29/11	USD	1,258.75	243.80	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025602		09/13/11	11/12/11	USD	243.80	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025728		09/29/11	11/28/11	USD	378.21	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025795		10/12/11	12/11/11	USD	684.36	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025865		10/27/11	12/26/11	USD	6,068.90	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSI 55025868		10/27/11	12/26/11	USD	225.61	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RSV 56004451		08/31/11	10/30/11	USD	18,449.00	27,308.63	1,078.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR CUSTOMER				In HC USD	28,931.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

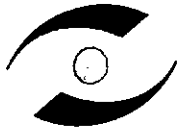
Search Key : GRACEWAY PHARMAC
Customer : 500682
Account: Graceway Pharmaceuticals, LLC
340 Martin Luther King Jr Blvd
Suite 400
Bristol, TN 37620
Terms of Payment : 00A PREPAYMENT

Credit Analyst : STD 0
Standard Customer : 431,870.34
RSV 56004408 : 07/31/11|08/30/11|USD
BLK 50001567 : 08/31/11|USD
TOTAL FOR CUSTOMER 500682 In HC USD : 31,870.34
Country : US
UNITED STATES : 22,080.34
9,790.00 : 22,080.34
22,080.34

Search Key : HARMONY LABS
Customer : 500449
Account: Accounts Payable
2865 North Cannon Blvd.
Kannapolis, NC 28083
Terms of Payment : 300 NET 30

Credit Analyst : STD 0
Standard Customer : 0
Country : US
UNITED STATES : 0.00
0.00

LINK CREDIT MEMO RSV56004409 - ENCLOSED



KÖRBER MEDIPAK

pharma packaging systems

KÖRBER MEDIPAK NA INC.

14501 58th St. North Clearwater, FL U.S.A. 33760
Phone: 727-538-4644 Fax: 727-532-6521

MEDIPAK INVOICE

RSV/56004408

Original

07/31/2011

500682

Graceway Pharmaceuticals, LLC
340 Martin Luther King Jr Blvd
Suite 400
Bristol, TN 37620

Work Site Address

Harmony Laboratories, Inc.
2865 N. Cannon Blvd
Kannapolis, NC 28083

Quantity	Unit	Item	Price	Unit	Tax	Discount	Amount
Service Order : 563500 J.Muller 3-2-11 - 3-21-11 Purchase Order : Tony Blandin Installation : LA500 #64/ P700 #118 LA500 #64/P700 #118 Jorg Muller 3-2-2011 thru 3-21-2011 Install upgrades on line Attn: Tony Blandin Questions please direct to 727-532-6515							
15.00	ea	VMEALS MEAL EXPENSES	70.00	ea			1050.00
1.00	ea	VAF SERVICE AIRFARE	1189.38	ea			1189.38
11.00	ea	VLODGING SERVICE LODGING	979.00	ea			10769.00
124.75	ea	VSHR SERVICE STANDARD HOURS	142.00	ea			17714.50
250.00	ea	VMILES SERVICE MILEAGE	0.84	ea			210.00
1.00	ea	VCR SERVICE CAR RENTAL	937.46	ea			937.46
Carry Forward							31870.34





KÖRBER MEDIPAK

pharma packaging systems

KÖRBER MEDIPAK NA INC.

14501 58th St. North Clearwater, FL U.S.A. 33760
Phone: 727-538-4644 Fax: 727-532-6521

MEDIPAK INVOICE

RSV/56004408

Original

07/31/2011

500682

Page 2

Quantity	Unit	Item	Price	Unit	Tax	Discount	Amount
							Carried Forward 31870.34

704-939-4300

Goods 31870.34

Total	USD	31870.34
Paid		
Payable		31870.34

Payment NET 30

Please state with your payment 500682 RSV 56004408
We accept Visa, MasterCard, and American Express

REMITTANCE INFORMATION:

KORBER MEDIPAK NA INC.

14501 58th St. North
Clearwater, FL 33760

WIRE INFORMATION:

Bank of America NA, Inc. Clearwater

ABA#: 026009593 SWIFT: BOFAUS3N

If using ACH use ABA# 063100277

For: Korber Medipak NA, Inc. A/C#: 898009538620





KÖRBER MEDIPAK

pharma packaging systems

KÖRBER MEDIPAK NA INC.

14501 58th St. North Clearwater, FL U.S.A. 33760
Phone: 727-538-4644 Fax: 727-532-6521

MEDIPAK INVOICE

RSV/56004409

Original

07/31/2011

500682

Graceway Pharmaceuticals, LLC
340 Martin Luther King Jr Blvd
Suite 400
Bristol, TN 37620

Work Site Address
Harmony Laboratories, Inc.
2865 N. Cannon Blvd
Kannapolis, NC 28083

Quantity	Unit	Item	Price	Unit	Tax	Discount	Amount
Service Order : 563500 J.Muller 3-2-11 - 3-21-11 Purchase Order : Tony Blandin Installation : LA500 #64/ P700 #118 LA500 #64/P700 #118 Jorg Muller 3-2-2011 thru 3-21-2011 Install upgrades on line Attn: Tony Blandin Questions please direct to 727-532-6515 7-31-2011 Credit issued against invoice RSV56004408 - overcharged lodging							
-1.00	ea	VLODGING SERVICE LODGING Credit issued against invoice RSV 56004408 overcharged hotel. Should have been 89.00 per day for a total of 979.00	9790.00	ea			-9790.00
		Carry Forward					-9790.00





KÖRBER MEDIPAK

pharma packaging systems

KÖRBER MEDIPAK NA INC.

14501 58th St. North Clearwater, FL U.S.A. 33760
Phone: 727-538-4644 Fax: 727-532-6521

MEDIPAK INVOICE

RSV/56004409

Original

07/31/2011

500682

Page 2

Quantity	Unit	Item	Price	Unit	Tax	Discount	Amount
						Carried Forward	-9790.00

Credit Note

704-939-4300

Goods -9790.00

Total	USD	-9790.00
Paid		
Payable		-9790.00

Payment NET 30

Please state with your payment 500682 RSV 56004409
We accept Visa, MasterCard, and American Express

REMITTANCE INFORMATION:
KORBER MEDIPAK NA INC.
14501 58th St. North
Clearwater, FL 33760

WIRE INFORMATION:
Bank of America NA, Inc. Clearwater
ABA#: 026009593 SWIFT: BOFAUS3N
If using ACH use ABA# 063100277
For: Korber Medipak NA, Inc. A/C#: 898009538620



Purchase order

Billing Address
Graceway Pharmaceuticals,
340 Martin Luther King Jr. Blvd,
Bristol, TN 37620
US
Phone: (423)274-2100
Fax: (423)274-2139

Vendor Address
Korber Medipak NA Inc.
14501 58th Street North
CLEARWATER FL 33761
USA

Information
Purchase Order Number 4500008473
Date 12/31/2010
Vendor No. 302606
Currency USD
Buyer Supply Chain Inven
Phone 423-274-2100

Shipping Address : Harmony Labs
2865 North Cannon Blvd
KANNAPOLIS NC 28083

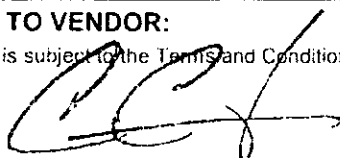
Terms of payment : Payable immediately Due net Currency USD

Item	Material/Description	Quantity	UM	Unit Price	Net Amount
10	Parts Quote I - 456721 Delivery date: Day 02/25/2011 The item covers the following services:	1.00	AU	28418.390000/ AU	28,418.39
	10 Quote # 456721 1.000 EA 28,418.39			28,418.39	
20	Parts Quote II - 456756 Delivery date: Day 02/25/2011 The item covers the following services:	1.00	AU	15000.000000/ AU	15,000.00
	10 Quote # 456756 1.000 EA 15,000.00			15,000.00	
30	Service Quote I- 568068-10 Delivery date: Day 03/21/2011 The item covers the following services:	1.00	AU	21375.000000/ AU	21,375.00
	10 Quote # 568068-10 1.000 EA 21,375.00			21,375.00	

INSTRUCTIONS TO VENDOR:

This Purchase Order is subject to the Terms and Conditions incorporated herein by this reference

SIGNATURE



DATE 10 - JAN - 2011

GRACEWAY
PHARMACEUTICALS, LLC

Graceway Pharmaceuticals,
340 Martin Luther King Jr. Blvd,
Bristol, TN 37620
US

Phone: (423)274-2100
Fax: (423)274-2139

Page 2 of 3
01/10/2011 08:24:15

Purchase order

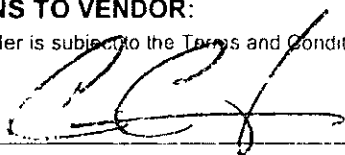
PO number/date 4500008473 / 12/31/2010

Net value incl. disc.		64,793.39
Tax		0.00
Total Amount		64,793.39
total net value excl. tax	USD	64,793.39

INSTRUCTIONS TO VENDOR:

This Purchase Order is subject to the Terms and Conditions incorporated herein by this reference.

SIGNATURE



DATE 10 JAN 2011

(EVP Technical Operations)



Graceway Pharmaceuticals,
340 Martin Luther King Jr. Blvd,
Bristol, TN 37620
US

Phone: (423)274-2100
Fax: (423)274-2139

Page 3 of 3
01/10/2011 08:24:15

Purchase order

PO number/date 4500008473 / 12/31/2010

TERMS AND CONDITIONS

1. By accepting or filling this order Seller agrees to these terms and conditions, which shall prevail over any inconsistent provisions in any form or other paper submitted by Seller. This order shall constitute the entire agreement between the parties unless modified in writing by Buyer, provided however, that where express provisions on the front of this purchase order or in any other written agreement between Buyer and Seller expressly referenced on the front of this purchase order are inconsistent with any terms of paragraph 1 through 13 hereof, then said express provisions shall prevail.
2. Cash discount period shall be computed as commencing with receipt of invoice or of goods, whichever is received later.
3. Any invoice from vendor not containing all required information specified shall be subject to return to vendor for addition of missing information. Date of receipt of invoice shall be deemed to be the date on which completed invoice is received.
4. Goods delivered under this order shall be subject to inspection and test at Buyer's plant (or if purchased for export, at ultimate destination abroad). All or any part may be returned at Seller's expense for transportation and insurance both ways if found within a reasonable time from date of their opening to be defective or not in accordance with the order. In the case of latent defects, buyer may return all or any part at seller's expense for transportation and insurance both ways within a reasonable time after discovery of the defect. Acceptance of all or part of the goods, or payment therefor or failure to notify Seller promptly, shall not waive or affect any of Buyer's rights to cancel or return all or part of the goods, or recover damages, or recover upon Seller's warranties or agreements or indemnity.
5. Buyer may cancel all or any part of this order or may refuse to accept any goods, or may return any goods at Seller's expense, if Seller fails to deliver the goods within the time specified in this order (time being of the essence hereof), or fails to deliver all or any part of the goods in accordance with these terms. Acceptance of part of the order shall not obligate Buyer to accept later shipments, or affect its right to return goods already accepted.
6. Seller agrees to pay all taxes, tariff and import/export fees now or here after imposed by law upon or on account of the production, sale, shipment or use of any goods covered by this order.
7. Graceway Pharmaceuticals, LLC is committed to creating a business climate that promotes diversity and is inclusive, respectful, and free from discrimination. To that end, Seller represents and warrants that all goods delivered under this order have been or will be produced in accordance with the Fair Labor Standards Act of 1938, as amended; Title VII of the Civil Rights Act of 1964, as amended; the Americans with Disabilities Act, as amended; the Age Discrimination in Employment Act, as amended; Executive Order 11246 of September 24, 1965; Section 402 of the Vietnam Veterans Readjustment Assistance Act of 1974; section 503 of the Rehabilitation Act of 1973; the Occupational Safety and Health Act; and all other applicable federal, state or municipal laws, codes, regulations, rules and orders. Each invoice must bear the following certification: "Materials or work covered by this invoice were produced in conformity with the Fair Labor Standards Act, as amended." Seller agrees to indemnify Buyer and its customers and to hold Buyer and its customer harmless against all liabilities and expense, including attorneys' fees, if Seller fails to comply with the foregoing, and in the event of such failure, Buyer may, in addition, cancel this order.
8. Seller will indemnify and hold Buyer and its customers harmless against all liabilities and expenses including attorney's fees arising from actual or claimed infringements of patent, trademark, copyright or other rights, misappropriation of trade secrets or breaches of confidential relationships with respect to all goods or services covered by this order.
9. Seller warrants to the Buyer and its customers that all goods to be delivered under this order will be of merchantable quality, free from any latent or patent defects, will conform to Buyer's specifications or samples, and will be safe for its intended use. Seller will indemnify and hold Buyer and its customers harmless against all liability and expenses, including attorney's fees, arising from any breach of such warranty.
10. Unless otherwise stated in this order, no charge will be allowed for packing, boxing, cartage or insurance, and Seller shall prepay all shipping and insurance charges.
11. If no price is specified in this order, the goods or services shall be billed at the price last quoted by Buyer, or at the prevailing market price, whichever is lower.
12. Fire, flood, strikes, lock-out, epidemic, accident, shortage, of customarily used transportation equipment or suitable substitute or other causes beyond the reasonable control of the parties which prevent Seller from delivering or Buyer from receiving and/or using the product(s) covered by this order, shall operate to reduce or suspend deliveries during the period required to remove such cause. In the event of reduced deliveries by Seller under the provisions of this paragraph, Seller shall allocate its available supply of product among purchasers and Seller's divisions, departments, and affiliates on such basis that Buyer's percentage reduction will not be greater than the overall percentage reduction in total quantity of product. Any deliveries suspended under this paragraph shall be canceled without liability and the order quantity shall be reduced by the quantities so omitted; however, Buyer may, at its option, extend the term of this order to permit partial or total delivery of the product not delivered because of such contingency in the event non-availability of raw materials causes Seller to reduce shipments to Buyer. Seller agrees to give Buyer the option to provide such raw materials to Seller at a price not to exceed market price if Buyer provides such raw materials to Seller at such price. Seller will increase deliveries of product to Buyer by the amount produced with the raw materials supplied by Buyer up to the quantity specified by the order.
13. To the extent that Seller's obligations hereunder require the performance of services by Seller or work to be done by Seller on Graceway Pharmaceuticals, LLC or on property under Graceway Pharmaceuticals, LLC control, Seller agrees:
 - a. To accept full responsibility for performing all work in a safe and cGMP compliant manner, so as not to jeopardize the safety of Graceway Pharmaceuticals, LLC personnel, property, or members of the general public.
 - b. To comply with and enforce all Graceway Pharmaceuticals, LLC safety and fire protection regulations and all applicable federal, state and municipal safety regulations, building codes or ordinances.
 - c. To indemnify and hold Graceway Pharmaceuticals, LLC harmless against all liability and expenses arising from any actual or claimed injuries or property damages resulting from Seller's work being done on Graceway Pharmaceuticals, LLC is property.For purposes of this paragraph the term Seller shall be deemed to include a contractor and subcontractor.
14. Vendor is to seal all full vehicle shipments and the seal numbers are to appear on the bill of lading.



KÖRBER MEDIPAK
pharma packaging systems



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pharma packaging systems

SERVICE ESTIMATE

November 15,2010
Graceway

Quote 568068-10

ESTIMATED QUOTE ONLY

**On Site Visit to install parts on quote 456721 and 456756 at Harmony Labs
One Tech from Germany and one tech from USA**

Airfare: (VAF)	2		\$ 1,000.00		\$ 2,000.00
Car Rental: (VCR)	8	days @	\$ 65.00		\$ 520.00
Hotel: (VLODGING)	16	days @	\$ 150.00		\$ 2,400.00
Per Diem: (VMEALS)	16	days @	\$ 75.00	per day	\$ 1,200.00
Travel: (\$130.00 on weekend)	37	hours @	\$ 115.00	per hour	\$ 4,255.00
Work: Service Engineer	0	hours @	\$ 160.00	per hour	\$ -
Work: Service Tech (VSHR)	80	hours @	\$ 135.00	per hour	\$ 10,800.00
Miscellaneous (mileage,booking etc)					\$ 200.00
Overtime/Saturday-Service Engineer	-	hours @	\$ 220.00	per hour, if applic	\$ -
Overtime/Saturday-Service Tech	-	hours @	\$ 185.00	per hour, if applic	\$ -
Holiday/Sunday Service Engineer	-	hours @	\$ 280.00	per hour, if applic	\$ -
Holiday/Sunday Service Tech	-	hours @	\$ 235.00	per hour, if applic	\$ -
Total Estimated Cost					\$ 21,375.00

TOTAL ESTIMATED cost does not include charges for weekday, Saturday/Sunday overtime

The above quote is **estimated** for eight hours a day of work. If the technician works more than 8 hours a day and/or Saturday or Sunday, the overtime rates will be applicable as shown on the above chart. If the technician is required to stay over a Saturday or Sunday and does not work, the regular rate will be charged for an 8 hour day.

Above charges are *estimates* only and do not include tax. All air travel, hotel accommodations, car rental and miscellaneous charges such as telephone, tolls, and related charges are charged at actual cost. Charges are computed from the time the Field Service Technician or Design Engineer leaves his home base or previous work assignment until he arrives back at his home base or departs for his next work assignment, whichever occurs first.

If you are interested in scheduling a technician to visit your facility, please provide us with a Purchase Order number, hotel recommendation, and directions to your plant. Furthermore, if at all possible, we would appreciate a seven-day advance notice in order to secure economical airfares.

Please contact us at (727) 532-6515 if you have any questions or if you need further assistance.

Kind regards,
Barbie Young
Parts/Service Manager



KÖRBER MEDIPAK NA Inc. 14501 58th St. North Clearwater, Florida 33760 USA
Service & Parts Department: Phone: 727/532-6515 Fax: 727/532-6538