

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:

 28445961003009
 NPACE
 ATTN: KIM AROUTH
 209 WEST CENTRAL STREET, SUITE 228
 NATICK, MA 01760

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):

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.

Telephone number: 508-907-6424 x 227

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: \$ 5000.00

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.

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.

4. Basis for Claim: Independent Medical Education Grant - Services provided pursuant to grant letter of agreement.
 (See instruction #4 on reverse side.)

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

5. Last four digits of any number by which creditor identifies Debtor: _____

5a. Debtor may have scheduled account as: _____
 (See instruction #5a on reverse side.)

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).

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: \$ _____

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:

\$ _____

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.

*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



00069

Date: 11/22/11

Signature: Kimberly Arouth

Printed Name: Kimberly Arouth

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 can not 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.



Graceway Pharmaceuticals, LLC
222 Valley Creek Boulevard, Suite 300
Exton, Pennsylvania 19341
Phone: 267.948.0400
Fax: 267.948.0599

Corporate Headquarters
Bristol, Tennessee

September 23, 2011

Graceway Pharmaceuticals Letter Agreement Educational Grant

Dear Ms. Arouth:

We are pleased to advise you that the Graceway Pharmaceuticals, LLC. Grant Committee has approved your request for an Educational Grant. Graceway Pharmaceuticals will provide the Nurse Practitioner Associates for Continuing Education (NPACE) ("Educational Provider") *Meeting/Program: NP Care Conf/Mgmt of HPV and Lower Genital Tract Disease*, with an Educational Grant in the amount \$5,000.00 ("Grant Funds"), subject to the return of a signed copy of this letter within sixty (60) days of receipt. *In the event that the Educational Provider fails to return the Letter of Agreement within sixty (60) days, Graceway reserves the right to deny grant payment.*

This Educational Grant is to be used exclusively to fund expenses directly related to the educational program ("Program") described in your request. Upon request, the Educational Provider will furnish Graceway with records of the manner in which the Grant Funds were expended. In the events that the Program does not go forward as set forth in the request, or a portion of the Grant Funds remain unused as set forth in the request, then Educational Provider agrees to return the unused Grant Funds to Graceway as applicable.

In consideration of applicable law and standards, the Educational Provider will agree to abide by applicable state and federal laws, regulations and policies, including the Food and Drug Administration's Guidance for Industry: Industry-Supported Scientific and Educational Activities (Nov. 1997), and the Office of Inspector General's Compliance Program Guidance for Pharmaceutical Manufacturers (2003). More over, as required by the Graceway Pharmaceuticals policy, the requirements outlined in Exhibit A (attached) govern this Educational Grant. This program has been planned in accordance with the Essential Areas and Polices of the Accreditation Council for Continuing Medical Education (ACCME) and complies with the ACCME's standards for commercial independence.

Your return of a signed copy of this letter will acknowledge that the obligations set out in Exhibit A are effective and binding. Once the signed document is received, our accounts payable department will complete the payment process.

Sincerely,

Gary A. Roosevelt
Vice President, Medical Education

AGREED

Grant Recipient Representative (type/print name): Kimberly Arouth

Signature: Kimberly Arouth

Date: September 26, 2011

Exhibit A:

1. **Statement of Program Purpose:** The Program is for scientific and educational purposes and will not be promotional in nature.
2. **Control of Program Planning, Content, Evaluation and Fund Disbursement:** The Educational Provider shall maintain full control over all aspects of the program, including disbursements of Grant Funds.
3. **Independence from Sales and Marketing:** The Educational Provider is not and may not become involved in the sale or marketing of any product developed, marketed or manufactured by Graceway. The Grant Funds are not intended to and should not affect the purchase, use, or recommendation of any Graceway product.
4. **Involvement in Content:** Graceway shall not engage in scripting, targeting points for emphasis, or other actions designed to influence the content of the Program. The Education Provider is responsible for control of content and selection of presenters and moderators.
5. **Disclosure of Financial and Other Relationships:** The Educational Provider will ensure meaningful disclosure to the audience, of (a) Graceway's funding or support, (b) any relevant financial or other relationship between the Educational Provider and Graceway, (c) any relevant financial or other relationship between Graceway and individual presenters or moderators, planning committee members, or other persons and organizations that are in a position to control Program content that may give rise to a conflict of interest. In addition, the Educational Provider will acknowledge educational support from Graceway in invitations, brochures, syllabi, and other Program materials. Educational Provider agrees that Graceway may disclose, on its website and via other media, that Graceway provided an Educational Grant in conjunction with the Program.
6. **Disclosure of Other Information:** The Educational Provider will disclose when a product is not approved in the United States for the use under discussion. The Educational Provider will ensure, to the extent possible, meaningful disclosure by presenters and moderators of limitations on data (e.g., ongoing research, interim analyses, preliminary data, or unsupported opinion).
7. **Scope and Presentation of Program Activities:** The Educational Provider will make every effort to ensure that the Program is free from commercial bias for or against any product and that any presentation of information about Graceway's products (or competing products) is an objective and balanced discussion of prevailing information about the product(s) and alternative treatments. Where reasonably practical based on the program format, the Educational Provider will ensure meaningful opportunities for questioning or scientific debate.
8. **Ancillary Promotional Activities:** Promotional activities and product advertisements are not permitted in the educational space immediately before, during, or after the Program. Print advertisements will not be interleaved or distributed with Program educational materials.

General Announcements **Wednesday, October 5th**

Welcome to Conference Day 1!

Introduce yourself briefly – (Name & Title)

Welcome to Boston!

- Thank you for wearing your name badges at all times. A quick review of your registration packets...you'll find a schedule at glance, a CD which contains all the session handouts, you'll also find...
- a two-part form, **Certificate of Successful Completion**. This form will serve as a copy of your contact hours. Mark all sessions you have attended, sign and keep the top copy for your records. Please make sure to drop off the yellow copy at the Registration desk at the end of the conference. NPACE does not mail certificates after the event.
- **Evaluation forms** - We'd like to ask you to complete your evaluation forms at the end of each session and turn them in to the registration desk on your last day.
- **Our GENERAL Conference Evaluation** – will be emailed to you the day after the conference, it will have a link to a short conference survey on your overall experience.
- If you have **questions** during the sessions, please go to the audience microphone so that everyone can hear your question. Or, write your question on the notecards on your table, we will collect them during the Q&A at the end of the session.
- **Exhibits** will open tomorrow at 8:15 am after the breakfast session.
- The **coffee break** this morning is being **Sponsored by** Regis College DNP Program. Representatives from Regis will be on hand to answer any questions and to provide you with information about their program.

- **CE Breakfast and Luncheon Programs are currently sold out.** If you have a ticket for a breakfast or lunch program and are not going to attend, please drop it off at the NPACE Registration Desk. If you do NOT have a ticket and would like to attend, check at the registration desk and sign up on the waitlist. Tickets will be awarded as they become available.

Additional meal announcements:

- You will need to leave the room, take all your personal belongings. Meals will be served on the main floor only.
 - Tickets will be collected at the door.
 - PLEASE be on time, food service cannot be guaranteed for those arriving 15 minutes after start of program.
- Tonight we have arranged a group reservation at *Pairings Restaurant* in the hotel at 6:00 PM (Dutch Treat). If you would like to sign up for this reservation and dine with your fellow NPs sign up is available on the bulletin board near registration desk. Please do so by lunch break today.

NPACE would like to thank the following companies for their continued support:

Forest Laboratories, Inc.

Graceway Pharmaceuticals, LLC

Merck

Mission Pharmacal

Novo Nordisk

Purdue Pharma L.P.

- We ask that you now take a moment to turn off or set your cell phones to silent.

Introduce Speaker