

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

PROOF OF CLAIM

1. Name of Debtor (Check Only One):

- 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): Minnesota Dept. of Human Services

Name and address where notices should be sent:  
Office of the Minnesota Attorney General  
Attn: Jeremy D. Eiden  
445 Minnesota St, Suite 900  
St. Paul, MN 55101

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**  
**MAR 27 2012**  
**BMC GROUP**

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: 651-757-1224

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](http://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: \$ 29,346.28

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: Federal Rebate Claim  
 (See instruction #4 on reverse side.)

5. Last four digits of any number by which creditor identifies Debtor: 9336  
 5a. Debtor may have scheduled account as: State of Minnesota  
 (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



Date: 3/23/12 Signature: [Handwritten Signature]

Printed Name: Asst. Attorney General  
Jeremy D. Eiden

Manufacturer Accounts Receivable

Manufacturer ID: 29336 Name: GRACEWAY PHARMACEUTICALS, LLC Repare Program: Minnesota Federal  
 Quarter Range: Quarter Range 1Q1091:3Q2011 Unallocated Balance: \$0.00 JCPA Dead: \$0.00

Invoice Number	Quarter	Invoice Status	Invoice Handling	Invoice Date	Original Invoice Amount	Principal Due	Offset Due	Base State Amount Due
631753	3Q2011	OP		12/01/2011	\$17,091.00	\$15,425.69	\$1,665.31	\$14,760.38
653072	2Q2011	OP		09/01/2011	\$13,844.50	\$13,844.16	\$400.34	\$12,443.82
644061	0Q2011	OP		06/11/2011	\$11,940.51	(\$368.19)	(\$368.19)	(\$368.19)
629224	0Q2010	OP		02/23/2010	\$0.00	(\$37.00)	(\$24.53)	(\$61.53)
618133	3Q2010	QP		11/30/2010	\$0.00	(\$246.86)	(\$25.42)	(\$272.28)
605552	0Q2010	PIF		08/24/2010	\$0.00	\$0.00	\$0.00	\$0.00
592881	1Q2010	PIF		06/02/2010	\$0.00	\$0.00	\$0.00	\$0.00
577944	0Q2009	PIF		02/23/2010	\$29,266.89	\$0.00	\$0.00	\$0.00
564489	0Q2009	PIF		11/25/2009	\$2,752.18	\$0.00	\$0.00	\$0.00
550032	2Q2009	OP		08/26/2009	\$2,873.43	\$0.51	\$0.00	\$2,872.92
539211	1Q2009	PIF		05/21/2009	\$9,846.18	\$0.00	\$0.00	\$0.00
525940	2Q2008	PIF		02/19/2009	\$18,669.49	\$0.00	\$0.00	\$0.00
512730	0Q2008	PIF		11/27/2008	\$24,574.61	\$0.00	\$0.00	\$0.00
496480	0Q2008	PIF		08/25/2008	\$2,910.53	\$0.00	\$0.00	\$0.00
				<b>Total</b>	\$297,782.52	\$25,468.28	\$5,250.75	\$267,063.49

KT 001 001 001 001

STATE OF MINNESOTA  
Department of Human Services  
MEDICAID DRUG REBATE INVOICE

As of: 03/07/2012  
Current Quarter: 2Q2011  
Invoice Number: 65307

JOSEPH RICCHINI  
(29336) GRACEWAY PHARMACEUTICALS, LLC  
P.O. BOX 569  
EXTON, PA 19341

Enclosed is your federal rebate invoice for 2Q2011

Do not combine payments due under the Federal Rebate Program with payments or credits from other programs. To ensure that your payment is properly credited, make the check payable to DHS Drug Rebate 050. EFT payments should have DHS Drug Rebate 050 in the Receiver Field of the transfer.

(Refer to invoice number 65307 on check) and mail to:  
DHS DRUG REBATE 050  
P.O. Box 64837  
St. Paul, MN 55164-0837

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

If you have any questions contact Kris Rustad at (651) 431-2506 or by e-mail at: [kristine.rustad@state.mn.us](mailto:kristine.rustad@state.mn.us)

Curr Qtr Amt:	\$13,644.50
Dollar Impact of Unit Changes:	(\$196.40)
Credit Balance:	\$0.00
Total Amount:	<u>\$13,448.10</u>
Interest Due:	\$0.00
Grand Total:	<u>\$13,448.10</u>

Prior Quarter Amounts Due are displayed for informational purposes in section 3 of invoice.

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PLEASE RETURN THIS STUB WITH YOUR PAYMENT AND ATTACHMENTS

Manufacturer: GRACEWAY PHARMACEUTICALS, LLC.  
Manufacturer ID:29336  
Quarter billed:2Q2011

Make checks payable to: DHS DRUG REBATE 050 and mail to:

DHS DRUG REBATE 050  
P.O BOX 64837  
ST. PAUL, MN 55164-0837

Amount Pd \$ \_\_\_\_\_

Department of Human Services

MEDICAID DRUG REBATE INVOICE

4/1/2011 - 6/30/2011

Quarter Bill: 2Q2011

Invoice Number: 65307

Manufacturer: JOHN BLISS

(29336) GRACEWAY PHARMACEUTICALS, LLC  
 222 VALLEY CREEK BLVD., SUITE 300  
 EXTON, PA 19341

NDC Number	Drug Name	Rebate Amt per Unit	Total Units Reimbursed	Total Rebate Amount Claimed	Num of Script	State Amt Reimbursed	Other Payments	Total Amount Reimbursed
29336-0200-25	METROGEL-VAGINAL	0.350000	4.000	\$1.40	4	\$2.00	\$0.00	\$2.00
29336-0302-02	MINITRAN	0.094300	15.000	\$1.41	1	\$19.46	\$1.00	\$20.46
29336-0325-56	ESTRASORB	0.133100	501.120	\$66.70	3	\$133.00	\$174.16	\$307.16
29336-0610-12	ALDARA	9.019200	485.000	\$4,374.31	32	\$7,812.59	\$24.00	\$7,836.59
29336-0610-24	ALDARA	9.019200	625.000	\$5,637.00	39	\$18,566.55	\$1,176.45	\$19,743.00
29336-0815-21	MAXAIR AUTOHALER	7.713600	462.000	\$3,563.68	32	\$3,334.61	\$964.27	\$4,298.88
<b>Total:</b>			2092.120	\$13,644.50	111	\$29,868.21	\$2,339.88	\$32,208.09

Credit Balance: \$0.00

**Final Total: \$13,644.50**

Department of Human Services  
**MEDICAID DRUG REBATE INVOICE**

Manufacturer: JOHN BLISS  
 (29336) GRACEWAY PHARMACEUTICALS, LLC  
 222 VALLEY CREEK BLVD., SUITE 300  
 EXTON, PA 19341

4/1/2011 - 6/30/2011  
 Quarter Bill: 2Q2011  
 Invoice Number: 65307

NDC	Drug Name	URA	Number of Units	Rebate Amount	Paid Amount	Number of Scripts	Reimbursed Amount	Dollar Impact
<b>Quarter: 1Q2011</b>								
29336-0610-24	ALDARA							
	Previous	5.6989	920	\$5,242.99		60	\$28,401.71	
	Current	5.6989	884	\$5,037.83	\$5,242.99	58	\$27,268.41	(\$205.16)
<b>1Q2011 Totals:</b>								<b>(\$205.16)</b>
<b>Quarter: 4Q2010</b>								
29336-0610-24	ALDARA							
	Previous	8.7638	1040	\$9,114.35		64	\$31,083.15	
	Current	8.7638	1041	\$9,123.12	\$9,114.35	65	\$31,118.90	\$8.76
<b>4Q2010 Totals:</b>								<b>\$8.76</b>
<b>Final Totals:</b>								<b>(\$196.40)</b>

STATE OF MINNESOTA  
Department of Human Services  
MEDICAID DRUG REBATE INVOICE

As of: 03/07/2012  
Current Quarter: 3Q2011  
Invoice Number: 68175

JOSEPH RICCHINI  
(29336) GRACEWAY PHARMACEUTICALS, LLC  
P.O. BOX 569  
EXTON, PA 19341

Enclosed is your federal rebate invoice for 3Q2011

Do not combine payments due under the Federal Rebate Program with payments or credits from other programs. To ensure that your payment is properly credited; make the check payable to DHS Drug Rebate 050. EFT payments should have DHS Drug Rebate 050 in the Receiver Field of the transfer.

(Refer to invoice number 68175 on check) and mail to:  
DHS DRUG REBATE 050  
P.O. Box 64837  
St. Paul, MN 55164-0837

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

If you have any questions contact Kris Rustad at (651) 431-2506 or by e-mail at: [kristine.rustad@state.mn.us](mailto:kristine.rustad@state.mn.us)

Curr Qtr Amt:	\$17,091.00
Dollar Impact of Unit Changes:	(\$150.56)
Credit Balance:	\$0.00
Total Amount:	<u>\$16,940.44</u>
Interest Due:	\$0.00
Grand Total:	<u>\$16,940.44</u>

Prior Quarter Amounts Due are displayed for informational purposes in section 3 of invoice.

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PLEASE RETURN THIS STUB WITH YOUR PAYMENT AND ATTACHMENTS

Manufacturer: GRACEWAY PHARMACEUTICALS, LLC.  
Manufacturer ID:29336  
Quarter billed:3Q2011

Make checks payable to: DHS DRUG REBATE 050 and mail to:

DHS DRUG REBATE 050  
P.O BOX 64837  
ST. PAUL, MN 55164-0837

Amount Pd \$ \_\_\_\_\_

Department of Human Services  
**MEDICAID DRUG REBATE INVOICE**

7/1/2011 - 9/30/2011

Quarter Bill: 3Q2011

Invoice Number: 68175

Manufacturer: JOHN BLISS  
 (29336) GRACEWAY PHARMACEUTICALS, LLC  
 222 VALLEY CREEK BLVD., SUITE 300  
 EXTON, PA 19341

NDC Number	Drug Name	Rebate Amt per Unit	Total Units Reimbursed	Total Rebate Amount Claimed	Num of Script	State Amt Reimbursed	Other Payments	Total Amount Reimbursed
29336-0325-56	ESTRASORB	0.131600	572,460	\$75.34	9	\$120.22	\$251.02	\$371.24
29336-0610-12	ALDARA	7.956500	960,000	\$7,638.24	68	\$14,989.04	\$681.57	\$15,670.61
29336-0610-24	ALDARA	7.956500	547,000	\$4,352.21	36	\$13,662.38	\$3,431.12	\$17,093.50
29336-0815-21	MAXAIR AUTOHALER	7.637100	658,000	\$5,025.21	44	\$5,236.76	\$880.12	\$6,116.88
<b>Total:</b>			<b>2737,460</b>	<b>\$17,091.00</b>	<b>157</b>	<b>\$34,008.40</b>	<b>\$5,243.83</b>	<b>\$39,252.23</b>

Credit Balance: \$0.00

**Final Total: \$17,091.00**

STATE OF MINNESOTA  
 Department of Human Services  
 MEDICAID DRUG REBATE INVOICE

Manufacturer: JOHN BLISS  
 (29336) GRACEWAY PHARMACEUTICALS, LLC  
 222 VALLEY CREEK BLVD., SUITE 300  
 EXTON, PA 19341

7/1/2011 - 9/30/2011  
 Quarter Bill: 3Q2011  
 Invoice Number: 68175

NDC	Drug Name	URA	Number of Units	Rebate Amount	Paid Amount	Number of Scripts	Reimbursed Amount	Dollar Impact
<b>Quarter: 2Q2011</b>								
29336-0200-25 METROGEL-VAGINAL								
	Previous	0.35	4	\$1.40		4	\$2.00	
	Current	0.35	3	\$1.05	\$0.00	3	\$1.79	\$0.00
							<b>2Q2011 Totals:</b>	<b>\$0.00</b>
<b>Quarter: 3Q2010</b>								
29336-0610-24 ALDARA								
	Previous	30.1134	1595	\$48,030.87		98	\$47,078.70	
	Current	30.1134	1590	\$47,880.31	\$48,030.87	97	\$46,918.24	(\$150.56)
							<b>3Q2010 Totals:</b>	<b>(\$150.56)</b>
							<b>Final Totals:</b>	<b>(\$150.56)</b>



**FedEx** **US Airbill**

FedEx Tracking Number

8652 0137 5865

Form ID No.

0215

SDA11

300 Parts Copy

1 From This portion can be reviewed for Recipient's records.  
Date 3-26-12 FedEx Tracking Number 865201375865

Sender's Name JEREMY EIDEN Phone 651 757-1224

Company ST ST MINNATY GENERAL OFFICE

Address 449 MINNESOTA NW TORON & 900

City ST PAUL State MN ZIP 55101-2127

RECEIVED

2 Your Internal Billing Reference

MAR 27 2012

3 To

Recipient's Name BMC GROUP, INC Phone

BMC GROUP

ATTN: GRAEWAY PHARMACEUTICAL CLAIMS

Company GRAEWAY PHARMACEUTICAL CLAIMS

Recipient's Address 18675 LAKE DRIVE EAST PROGRESSING

We cannot deliver to P.O. boxes or P.O. ZIP codes.

Address

City CHANDHASSEN State MN ZIP 55317

To request a package be held at a specific FedEx location, print FedEx address here.

Date/Print/Ship/Room

0380389726



8652 0137 5865

4a Express Package Service

FedEx Priority Overnight  
Next business morning delivery to select locations.  
Saturday Delivery NOT available.

FedEx 2Day  
Second business day. Thursday shipments will be delivered on Monday unless SAT/UDAY Delivery is selected.

FedEx Express Saver  
Third business day. Saturday Delivery NOT available.

4b Express Freight Service

FedEx 1Day/Freight\*  
Next business day. Monday shipments will be delivered on Monday unless SAT/UDAY Delivery is selected.

FedEx 2Day Freight  
Second business day. Thursday shipments will be delivered on Monday unless SAT/UDAY Delivery is selected.

FedEx 3Day Freight  
Third business day. Saturday Delivery NOT available.

5 Packaging

FedEx Envelope\*

FedEx Pak\*  
Includes FedEx Small Pak, FedEx Large Pak, and FedEx Sturdy Pak.

FedEx Box

FedEx Tube

Other

6 Special Handling

Priority Delivery

Signature Required

Insured

Fragile

Restricted

Hazardous

Other

Hold

Return to Sender

Signature Required

Signature Required

Your liability is limited to \$100 unless you declare a higher value. See the current FedEx Service Guide for details.

8 Residential Delivery Signature Options

No Signature Required

Direct Signature

Indirect Signature

Signature Required

Credit Card Auth.

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