

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

GRACEWAY PHARMACEUTICALS, LLC,
et al.,

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

Jointly Administered

**NOTICE OF COMMENCEMENT OF CHAPTER 11 BANKRUPTCY CASES,
MEETING OF CREDITORS AND FIXING OF CERTAIN DATES**

On **September 29, 2011**, the above-captioned debtors and debtors-in-possession (each a “**Debtor**” and collectively, the “**Debtors**”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”). The Debtors and their respective addresses, case numbers, and federal tax identification numbers are as follows:

| DEBTOR <small>(Other names, if any, used by the Debtor in the last 8 years)</small> | ADDRESS | CASE NO. | EIN |
|---|--|----------|------------|
| Graceway Pharmaceuticals, LLC Graceway Pharmaceuticals, Inc., Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13036 | 14-1965385 |
| Graceway Pharma Holding Corp. Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13037 | 27-3569175 |
| Graceway Holdings, LLC Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13038 | 20-4182502 |
| Chester Valley Holdings, LLC Chester Valley Holdings, Inc., Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13039 | 20-1929457 |
| Chester Valley Pharmaceuticals, LLC Chester Valley Pharmaceuticals, Inc., Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13041 | 20-1933713 |
| Graceway Canada Holdings, Inc. Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13042 | 20-8046663 |
| Graceway International, Inc. Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq | 340 Martin Luther King Jr. Blvd., Suite 500 Bristol, TN 37620 | 11-13043 | 26-0212399 |

DATE, TIME AND LOCATION OF MEETING OF CREDITORS. NOVEMBER 7, 2011 AT 11:30 A.M. (ET), J. CALEB BOGGS FEDERAL BUILDING, 844 KING STREET, 5TH FLOOR, ROOM 5209, WILMINGTON, DELAWARE 19801.

MEETING OF CREDITORS. The Debtors' representative, as specified in Rule 9001(5) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), is required to appear at the meeting of creditors on the date and at the place set forth above for the purpose of being examined under oath. Attendance by creditors at the meeting is welcomed, but not required. At the meeting, creditors may examine the Debtors and transact such other business as may properly come before the meeting. The meeting may be continued or adjourned from time-to-time by notice at the meeting, without further written notice to the creditors.

COMMENCEMENT OF CASES. Petitions under chapter 11 of the Bankruptcy Code have been filed in the United States Bankruptcy Court for the District of Delaware (the "**Court**") by each of the Debtors listed above, and orders for relief have been entered. **You will not receive notice of all documents filed in these cases.** All documents filed with the Court, including lists of the Debtors' property and debts, are or will be available for inspection at the Office of the Clerk of the Court (the "**Clerk's Office**"). In addition, such documents may be available at www.deb.uscourts.gov or www.bmcgroup.com/graceway.

DEADLINE TO FILE A PROOF OF CLAIM. Notice of this deadline will be sent by and through a separate notice.

NAME, ADDRESS AND TELEPHONE NUMBER OF TRUSTEE. None appointed to date.

PROPOSED COUNSEL FOR THE DEBTORS.

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RESTRUCTURING INFORMATION LINE. 1-888-909-0100 from within the United States or +1 (310) 321-5555 if calling from outside the United States.

PURPOSE OF CHAPTER 11 FILING. Chapter 11 of the Bankruptcy Code enables a debtor to reorganize or liquidate pursuant to a plan. A plan is not effective unless approved by the Court at a confirmation hearing. Creditors will be given notice concerning any plan, or in the event the case is dismissed or converted to another chapter of the Bankruptcy Code. The Debtors will remain in possession of their property and will continue to operate their businesses unless a trustee is appointed.

CREDITORS MAY NOT TAKE CERTAIN ACTIONS. A creditor is anyone to whom a debtor owes money or property. Under the Bankruptcy Code, a debtor is granted certain protections against creditors. Common examples of prohibited actions by creditors are contacting a debtor to demand repayment, taking action against a debtor to collect money owed to creditors or to take property of a debtor, and starting or continuing foreclosure actions or repossessions. If unauthorized actions are taken by a creditor against the Debtors, the Court may penalize that creditor. A creditor who is considering taking action against the Debtors or the Debtors' property should review section 362 of the Bankruptcy Code and may wish to seek legal advice. **The staff of the Clerk's Office is not permitted to give legal advice.**

CLAIMS. Schedules of creditors will be filed pursuant to Bankruptcy Rule 1007. Any creditor holding a scheduled claim, which is not listed as disputed, contingent, or unliquidated as to amount, may, but is not required to, file a proof of claim in these cases. Creditors whose claims are not scheduled or whose claims are listed as disputed, contingent, or unliquidated as to amount and who desire to participate in these cases or share in any distribution must file their proofs of claim. A creditor who desires to rely on the schedules of creditors has the responsibility for determining that its claim is listed accurately. **Separate notice of the deadlines to file proofs of claim and proofs of claim forms will be provided to the Debtors' known creditors.** Proofs of claim forms are also available in the clerk's office of any bankruptcy court, from the Court's web site at www.deb.uscourts.gov and from the website of BMC Group, Inc., the Debtors' noticing and claims agent, at www.bmcgroup.com/graceway.

DISCHARGE OF DEBTS. Confirmation of a chapter 11 case may result in a discharge of debts, which may include all or part of your debt. **See 11 U.S.C. § 1141(d).** A discharge means that you may never try to collect the debt from the Debtors, except as provided in the plan.

Dated: October 10, 2011

For the Court: David S. Bird
Clerk of the United States Bankruptcy Court for the District of Delaware