

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

In re:

GRACEWAY PHARMACEUTICALS, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-13036 (MFW)

Joint Administration Pending

**MOTION OF THE DEBTORS FOR AN ORDER ESTABLISHING BAR DATES  
FOR FILING PROOFS OF CLAIM AND APPROVING THE FORM AND  
MANNER OF NOTICE THEREOF**

("Bar Date Motion")

The above-captioned debtors and debtors-in-possession (collectively, the "**Debtors**"), hereby move this Court (the "**Motion**") for entry of an order (the "**Bar Date Order**"), in substantially the form attached hereto as Exhibit A, establishing deadlines for filing proofs of claim against the Debtors in these Chapter 11 Cases (as defined below) and approving the form and manner of notice thereof. In support of this Motion, the Debtors respectfully state:

**Jurisdiction**

1. This Court has jurisdiction over this Motion under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of this proceeding and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are Sections 501, 502, and 1111(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Bankruptcy Code**");

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Graceway Pharma Holding Corp., a Delaware corporation (9175); Graceway Holdings, LLC, a Delaware limited liability company (2502); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385); Chester Valley Holdings, LLC, a Delaware limited liability company (9457); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713); Graceway Canada Holdings, Inc., a Delaware corporation (6663); and Graceway International, Inc., a Delaware corporation (2399). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy).

Rules 2002 and 3003(c)(3) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”); and Rule 2002-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”).

### **Background**

3. On the date hereof (the “**Petition Date**”), each of the Debtors filed a petition with this Court under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases, and no official committees have been appointed or designated. Concurrently with the filing of this Motion, the Debtors have requested procedural consolidation and joint administration of these Chapter 11 Cases.

4. A description of the Debtors’ businesses, the reasons for commencing these Chapter 11 Cases, and the relief sought from this Court to allow for a smooth transition into chapter 11 are set forth in the Declaration of Gregory C. Jones in Support of Chapter 11 Petitions and First Day Motions, filed on the Petition Date.

### **Relief Requested**

5. The Debtors anticipate filing their schedules of assets and liabilities and statements of financial affairs (collectively, the “**Schedules**”) within sixty (60) days of the Petition Date. For the Debtors to fully administer these estates, to solicit acceptances or rejections to a plan of reorganization or plan of liquidation (the “**Plan**”) and to make distributions under the Plan, the Debtors must obtain complete and accurate information regarding the nature, validity and amount of all claims that will be asserted in these Chapter 11

Cases. Consequently, the Debtors seek entry of an order establishing deadlines for filing Proofs of Claim (as defined below) in these Chapter 11 Cases and approving the form and manner of notice thereof. The proposed deadlines are as follows:

- a) except as otherwise provided herein, 4:00 p.m. (prevailing Eastern Time) on the date that is sixty (60) days after the date the Debtors file with the Court their Schedules (the "**General Bar Date**"), as the deadline for all persons and entities (excluding governmental units as defined in Section 101(27) of the Bankruptcy Code) holding a claim against any of the Debtors, including any disputed, contingent, or unliquidated claims, to file a Proof of Claim (as defined below) in these Chapter 11 Cases;
- b) March 27, 2012 at 4:00 p.m. (prevailing Eastern Time) (the "**Governmental Unit Bar Date**"), as the deadline for each governmental unit (as defined in Section 101(27) of the Bankruptcy Code), holding a claim against any of the Debtors, to file a Proof of Claim in these Chapter 11 Cases;
- c) where a claim is included in the Debtors' Schedules (as defined below) or any amendments thereto, and is not included as disputed, contingent, or unliquidated,<sup>2</sup> the later of (i) the General Bar Date or (ii) 4:00 p.m. (prevailing Eastern time) on the date that is twenty-one (21) days after service of a notice on an affected claimant of an amendment or supplement to the Schedules that is filed on or after the Service Date (as defined below) and that (a) reduces the undisputed, noncontingent, and liquidated amount of such claimant's claim, (b) changes the nature or characterization of such claimant's claim or the Debtor against whom such claimant's claim is scheduled, or (c) adds a new claim with respect to such claimant to the Schedules (the "**Amended Schedule Bar Date**"), as the deadline for filing a Proof of Claim with respect to such amended claim;<sup>3</sup> and
- d) except as otherwise set forth in any order authorizing rejection of an executory contract or unexpired lease, the Debtors propose to establish the later of (i) the General Bar Date or (ii) thirty (30) days after entry of any order authorizing the rejection of an executory contract or unexpired lease, as the bar date (the "**Rejection Bar Date**" and together with the aforementioned bar dates, the "**Bar Dates**") by which a Proof of Claim relating to the Debtors' rejection of such contract or lease must be filed.

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<sup>2</sup> The General Bar Date applies to all such disputed, contingent, or unliquidated claims.

<sup>3</sup> The imposition of the Amended Schedule Bar Date is consistent with Local Rule 1009-2, which provides a creditor with twenty-one (21) days to file a proof of claim after the date that notice of the applicable amendment is served on such creditor.

### Establishment of Bar Dates

6. The Debtors submit that the notice period provided by the Bar Dates is more than sufficient to comply with the Bankruptcy Rules in light of the proposed notice procedures provided herein. Bankruptcy Rule 3003(c)(3) generally governs the filing of proofs of claim in a chapter 11 case and provides in relevant part: “The court shall fix and for cause shown may extend the time within which proofs of claim or interest may be filed.” Fed. R. Bankr. P. 3003(c)(3). Although Bankruptcy Rule 2002(a)(7) generally provides that all parties in interest must receive, at a minimum, 21 days’ notice of the time fixed for filing proofs of claim pursuant to Bankruptcy Rule 3003(c), neither the Bankruptcy Code, the Bankruptcy Rules, nor the Local Rules specify a time by which proofs of claim must be filed in chapter 11 cases, other than Section 502(b)(9) of the Bankruptcy Code, which provides that governmental units shall have a minimum of 180 days after the entry of the order for relief to file proofs of claim.

7. **General Bar Date.** Bankruptcy Rule 3003(c)(3) requires that the Court fix a time within which proofs of claim must be filed. The Debtors anticipate that, through their claims agent, they will provide notice of the Bar Dates, substantially in the form attached hereto as Exhibit C (the “**Bar Date Notice**”), together with a Proof of Claim form,<sup>4</sup> by first-class United States mail, postage prepaid, to all known entities holding potential claims against the Debtors. The date on which the Debtors actually serve the Bar Date Notice and Proof of Claim form is referred to herein as the “**Service Date.**” The Debtors request that this Court establish 4:00 p.m. (prevailing Eastern Time) on the date that is sixty (60) days after the filing of the Schedules as the General Bar Date.

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<sup>4</sup> The Proof of Claim form is substantially in the form of Official Bankruptcy Form B10 but has been modified, and may be further modified in certain limited respects, to accommodate the claims process in these Chapter 11 Cases.

8. The General Bar Date would be the date by which all persons and entities (excluding governmental units) holding prepetition claims must file Proofs of Claim unless they fall within one of the exceptions set forth in this Motion. Subject to these exceptions, the Bar Dates would apply to all persons or entities holding claims against the Debtors that arose or are deemed to have arisen prior to the Petition Date, including secured claims, unsecured priority claims (including, without limitation, claims entitled to priority under Sections 507(a)(4), (5), and (8) of the Bankruptcy Code), unsecured nonpriority claims, and disputed, contingent or unliquidated claims.

9. **Governmental Unit Bar Date.** Section 502(b)(9) of the Bankruptcy Code provides, in relevant part, that “[a] claim of a governmental unit shall be timely filed if it is filed before 180 days after the date of the order for relief or such later time as the [Bankruptcy Rules or a court order] may provide. . . .” 11 U.S.C. § 502(b)(9). Accordingly, the Debtors propose to establish March 27, 2012 at 4:00 p.m. (prevailing Eastern Time) as the deadline for all governmental units (as defined in Section 101(27) of the Bankruptcy Code) to file Proofs of Claim against the Debtors in these Chapter 11 Cases. The Governmental Unit Bar Date would apply to all governmental units holding claims against the Debtors (whether secured, unsecured priority, or unsecured nonpriority) that arose prior to the Petition Date, including governmental units with claims against the Debtors for unpaid taxes, whether such claims arise from (a) prepetition tax years or periods or (b) prepetition transactions to which the Debtors were a party.

10. **Amended Schedule Bar Date.** The Debtors have the right to (a) dispute, or assert offsets or defenses against, any filed claim or any claims listed or reflected in the Schedules as to nature, amount, liability, characterization, or otherwise; (b) subsequently

designate any claim as disputed, contingent, or unliquidated; or (c) otherwise amend or supplement the Schedules. If a claim is included in the Debtors' Schedules or any amendments thereto, and is not included as disputed, contingent, or unliquidated, and, on or after the Service Date, the Debtors amend or supplement their Schedules (i) to reduce the undisputed, noncontingent, and liquidated amount of such claim, (ii) to change the nature or characterization of such claim or the Debtor against whom such claim is scheduled, or (iii) to add a new claim to the Schedules, the Debtors propose that the affected claimant be required to file a Proof of Claim or amend any previously filed Proof of Claim in respect of the amended scheduled claim on or prior to the Amended Schedule Bar Date. Notwithstanding the foregoing, nothing contained herein shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

11. **Rejection Bar Date.** The Debtors anticipate that certain persons or entities may assert claims ("**Rejection Damages Claims**") in connection with the Debtors' rejection of executory contracts or unexpired leases pursuant to Section 365 of the Bankruptcy Code. The Debtors propose that this Court establish the Rejection Bar Date as the deadline for filing Proofs of Claim for any Rejection Damages Claims.

#### **Parties Required to File Proofs of Claim**

12. Subject to certain exceptions specified therein, the proposed Bar Date Order provides that each person or entity (including, without limitation, each individual, partnership, joint venture, limited liability company, corporation, estate, trust, or governmental unit) asserting a claim against one or more of the Debtors is required to file a separate Proof of Claim in the bankruptcy case of each Debtor against whom a claim is asserted. Each Proof of Claim must substantially comply with Official Bankruptcy Form 10, attached hereto as **Exhibit B** (a "**Proof**

**of Claim**”), and must be actually received on or before the Bar Date associated with such claim by BMC Group, Inc. (“**BMC**”), the Debtors’ proposed claims and noticing agent in these Chapter 11 Cases. Proofs of Claim must be sent by first-class mail to BMC Group, Inc., Attn: Graceway Claims Processing, PO Box 3020, Chanhassen, MN 55317-3020, or by overnight courier or hand-delivery to BMC Group, Inc., Attn: Graceway Claims Processing, 18750 Lake Drive East, Chanhassen, MN 55137. **Proofs of Claim will be deemed timely filed only if they are actually received by BMC on or before the applicable Bar Date.**

**Parties Not Required to File Proofs of Claim**

13. The Debtors propose that the following persons or entities are **not required** to file Proofs of Claim:

- a) any person or entity that has already properly filed a proof of claim against the correct Debtor(s) with either BMC or the Clerk of the Court for the United States Bankruptcy Court for the District of Delaware;
- b) any person or entity (i) whose claim is listed in the Schedules or any amendments thereto, and (ii) whose claim is not described therein as “disputed,” “contingent,” or “unliquidated,” and (iii) who does not dispute the amount or characterization of its claim (including that the claim is an obligation of the specific Debtor against which the claim is listed in the Schedules) as set forth in the Schedules;
- c) any person or entity asserting a claim under Section 503(b)(9) of the Bankruptcy Code on account of prepetition goods received by the Debtors within twenty days of the Petition Date, whose claim shall be governed by separate order of this Court;<sup>5</sup>
- d) professionals retained by the Debtors or the Committee pursuant to orders of this Court who assert administrative claims for fees and expenses subject to this Court’s approval pursuant to Sections 330, 331 and 503(b) of the Bankruptcy Code;

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<sup>5</sup> Concurrently with the filing of this Motion, the Debtors have filed the 503(b)(9) Administration Motion, which seeks entry of an order establishing the exclusive procedures for the assertion, resolution, and satisfaction of claims asserted pursuant to Section 503(b)(9) of the Bankruptcy Code.

- e) any person or entity asserting an administrative expense claim against the Debtors pursuant to Section 503(b) of the Bankruptcy Code;<sup>6</sup>
- f) current officers and directors of the Debtors who assert claims for indemnification and/or contribution arising as a result of such officers' or directors' prepetition or postpetition services to the Debtors;
- g) any Debtor asserting a claim against another Debtor;
- h) any wholly-owned non-debtor subsidiary of a Debtor asserting a claim against a Debtor (other than a claim against Graceway Canada Holdings, Inc.);
- i) any person or entity whose claim against the Debtors has been allowed by an order of this Court, entered on or before the Bar Dates;
- j) the administrative agent for the lenders under the Debtors' prepetition first lien credit facility and such lenders, in each case, solely with respect to any claim arising under such prepetition first lien credit facility or any agreement related thereto; and
- k) any person or entity holding a claim payable to the Court or the United States Trustee Program pursuant to 28 U.S.C. § 1930.

**No Requirement to File Proofs of Interest**

14. Any entity holding any interest in any Debtor (an "**Interest Holder**"), which interest is based solely upon the ownership of common or preferred stock in a corporation, a membership interest in a limited liability company, a general or limited partner interest in a partnership, or warrants, or rights to purchase, sell, or subscribe to such a security or interest (any such security or interest being referred to herein as an "**Interest**") need not file a proof of interest on or before the General Bar Date; provided, however, that Interest Holders that wish to assert *claims* against any of the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance, or distribution of an

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<sup>6</sup> The Debtors reserve the right to seek establishment of a bar date for the filing of Proofs of Claim relating to administrative expense claims at a later date.



Interest, must file Proofs of Claim on or before the General Bar Date, unless one of the exceptions enumerated in the preceding paragraph 13 applies.<sup>7</sup>

### **Filing Proofs of Claim Against Multiple Debtors**

15. The Debtors propose that any entity asserting claims against more than one Debtor must file a separate Proof of Claim with respect to each such Debtor on or before the applicable Bar Date. In addition, any entity filing a Proof of Claim must identify on its Proof of Claim form the particular Debtor against which its claim is asserted.

### **Effect of Failure to File Proof of Claim**

16. The Debtors propose that, pursuant to Bankruptcy Rule 3003(c)(2), any person or entity that is required to file a timely Proof of Claim in the form and manner specified by the Bar Date Order and who fails to do so on or before the bar date associated with such claim shall not, with respect to such claim, be treated as a creditor of the Debtors for the purpose of voting on, or receiving distributions under, any chapter 11 plan or plans in these Chapter 11 Cases.

### **Proposed Procedures for Providing Notice of the Bar Date and of Procedures for Filing Proofs of Claim**

17. No later than five (5) business days after the filing of the Schedules, the Debtors intend to provide notice of the Bar Dates by mailing a copy of the Bar Date Notice, together with a Proof of Claim form, by first-class United States mail, postage prepaid, to all known persons and entities holding potential prepetition claims against the Debtors. The mailing of the Bar Date Notice no later than the Service Date will ensure that creditors receive no less than 50 days' notice of the Bar Dates, which notice exceeds the minimum 21 day notice period provided by Bankruptcy Rule 2002(a)(7).

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<sup>7</sup> The Debtors reserve the right to seek establishment of a bar date for the filing of proofs of interest at a later date.

18. Furthermore, the Debtors intend to provide notice of the Bar Dates to unknown creditors by causing a copy of the notice attached hereto as Exhibit D (the “**Publication Notice**”) to be published at least once no later than 21 days prior to the General Bar Date in the national edition of *The Wall Street Journal*. In the Debtors’ judgment, this publication is likely to reach the widest possible audience of creditors who may not otherwise have notice of the Chapter 11 Cases.

19. The Bar Date Notice and the Publication Notice: (a) set forth the Bar Dates; (b) advise creditors under what circumstances they must file a Proof of Claim under Bankruptcy Rules 3002(c)(2) and 3003(c)(3) or an order of this Court, as applicable; (c) alert creditors to the consequences of failing to file a timely Proof of Claim, as set forth in Bankruptcy Rule 3003(c)(2) or an order of this Court, as applicable; (d) set forth the addresses to which Proofs of Claim must be sent for filing; and (e) notify creditors that (i) Proofs of Claim must be filed with original signatures, and (ii) facsimile or e-mail filings of Proofs of Claim are not acceptable and are not valid for any purpose. The Debtors submit that the Bar Date Notice and the Publication Notice will provide creditors with sufficient information to file properly prepared and executed Proofs of Claim in a timely manner.

#### **Basis For Relief Requested**

20. The Debtors must ensure that creditors and other interested parties receive adequate and appropriate notice of the Bar Dates. To determine the adequacy of notice given to a creditor, bankruptcy law distinguishes between “known” and “unknown” creditors. See Chemetron Corp. v. Jones (In re Chemetron Corp.), 72 F.3d 341, 345 (3d Cir. 1995). As the Third Circuit in Chemetron explained, “[k]nown creditors must be provided with actual written notice of a debtor’s bankruptcy filing and bar claims date. For unknown claimants, notification

by publication will generally suffice.” Id. at 346 (citations omitted). A “known” creditor is one whose identity is either known or is “reasonably ascertainable by the debtor.” Id. (citing Tulsa Prof'l Collection Serv., Inc. v. Pope, 485 U.S. 478, 490 (1988)). An “unknown” creditor is one whose “interests are either conjectural or future or, although they could be discovered upon investigation, do not in due course of business come to knowledge [of the debtor].” Chemetron, 71 F.3d at 346 ((citing Mullane v. Central Hanover Bank & Trust Co., 339 U.S. 306, 317 (1950))).

21. In defining the efforts required to identify “known” creditors, the Third Circuit stated:

Precedent demonstrates that what is required is not a vast, open-ended investigation . . . . The requisite search instead focuses on the debtor’s own books and records. Efforts beyond a careful examination of these documents are generally not required. Only those claimants who are identifiable through a diligent search are ‘reasonably ascertainable’ and hence ‘known’ creditors.

Chemetron, 72 F.3d at 346-47 (citations omitted). As for the particular efforts a debtor must exert to identify known creditors, “[w]hether a creditor received adequate notice of a bar date ‘depends upon the facts and circumstances of a given case.’” In re Grand Union Co., 204 B.R. 864, 871 (Bankr. D. Del. 1997) (citing Oppenheim, Appel, Dixon & Co. v. Bullock (In re Robintech, Inc.), 863 F.2d 393, 396 (5th Cir. 1989), cert. denied, 493 U.S. 811 (1989)).

22. The Debtors submit that the proposed notice procedures respecting the Bar Dates more than satisfies the Chemetron standard. The Debtors have identified those persons and entities that are known to the Debtors to hold claims against one or more of the Debtors, or are especially likely to be potential holders of claims. The potential claimants were identified following careful review of the Debtors’ books and records and those of the Debtors’ professionals, where applicable.

23. The Debtors' publication notice respecting the Bar Dates has been tailored to provide notice of such bar dates on an extensive basis throughout the United States. The Debtors believe that such publication notice suffices to provide any claimants unknown to the Debtors that may potentially hold claims against any of the Debtors with adequate notice of the Bar Dates. In addition, the Debtors believe that the publication notice contemplated by this Motion constitutes good and sufficient notice to "unknown" creditors, as defined by the Third Circuit in Chemetron.

24. Courts in this District have held that publication in the national edition of *The Wall Street Journal* constitutes adequate notice to unknown creditors. See, e.g., In re Barnes Bay Dev. Ltd., Case No. 11-10792 (PJW) (Bankr. D. Del. Apr. 12, 2011); In re NEC Holdings Corp., Case No. 10-11890 (PJW) (Bankr. D. Del. Aug. 5, 2010); In re Dayton Superior Corp., Case No. 09-11351 (BLS) (Bankr. D. Del. July 14, 2009); In re Sportsman's Warehouse, Inc., Case No. 09-10990 (CSS) (Bankr. D. Del. May 1, 2009); In re Tropicana Entm't, LLC, Case No. 08-10856 (KJC) (Bankr. D. Del. July 10, 2008).

#### Notice

25. The Debtors have provided notice of this Motion to: (a) the United States Trustee for the District of Delaware; (b) financing counsel to the administrative agent for the lenders under the Debtors' prepetition first lien credit facility; (c) special restructuring and bankruptcy counsel to the administrative agent for the lenders under the Debtors' prepetition first lien credit facility; (d) counsel to the administrative agent for the lenders under the Debtors' prepetition second lien credit facility; (e) the administrative agent for the lenders under the Debtors' prepetition unsecured mezzanine credit facility; (f) the creditors listed on the Debtors' consolidated list of 30 largest unsecured creditors, as filed with the Debtors' chapter 11 petitions;

(g) the Food and Drug Administration; (h) the Internal Revenue Service; and (i) all parties requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors submit that no further notice is required or needed under the circumstances.

26. A copy of the Motion is available on the Court's website: [www.deb.uscourts.gov](http://www.deb.uscourts.gov). Additional copies of the Motion are available for free on the website of the Debtors' proposed claims, noticing, soliciting and balloting agent, BMC Group, Inc., at [www.bmcgroup.com/graceway](http://www.bmcgroup.com/graceway), or can be requested by calling (888) 909-0100 from within the United States or +1 (310) 321-5555 if calling from outside the United States.

WHEREFORE, the Debtors respectfully request that this Court enter the Bar Date Order, substantially in the form attached hereto as Exhibit A, (a) establishing deadlines for filing proofs of claim against the Debtors in these Chapter 11 Cases and approving the form and manner of notice thereof and (b) granting such other and further relief as is just and proper.

Dated: September 29, 2011  
Wilmington, Delaware

Respectfully Submitted,



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PROPOSED ATTORNEYS FOR DEBTORS AND  
DEBTORS-IN-POSSESSION

**Exhibit A**

**Proposed Order**

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

In re:

GRACEWAY PHARMACEUTICALS, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-13036 (MFW)

Joint Administration Pending

**ORDER ESTABLISHING BAR DATES FOR FILING PROOFS OF CLAIM  
AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF**

("Bar Date Order")

Upon consideration of the motion (the "Motion")<sup>2</sup> of the Debtors, for entry of an order establishing deadlines for filing Proofs of Claim against the Debtors in these Chapter 11 Cases and approving the form and manner of notice thereof; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections or requests for hearing having been filed, or all objections having been overruled, as the case may be; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefore, it is hereby ORDERED, ADJUDGED, AND DECREED that:

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Graceway Pharma Holding Corp., a Delaware corporation (9175); Graceway Holdings, LLC, a Delaware limited liability company (2502); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385); Chester Valley Holdings, LLC, a Delaware limited liability company (9457); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713); Graceway Canada Holdings, Inc., a Delaware corporation (6663); and Graceway International, Inc., a Delaware corporation (2399). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy).

<sup>2</sup> Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Motion.



1. The Motion is GRANTED as set forth herein.
2. Subject to paragraph 11 below, each person or entity, including, without limitation, each individual, partnership, joint venture, corporation, limited liability company, estate, trust or governmental unit, that holds or asserts a claim, as defined in Section 101(5) of the Bankruptcy Code, including disputed, contingent, or unliquidated claims, against any of the Debtors shall file a separate Proof of Claim in the bankruptcy case of each Debtor against whom a claim is asserted.
3. No later than five (5) business days after the filing of their schedules of assets and liabilities and statements of financial affairs (collectively, the "**Schedules**"), the Debtors shall provide notice of the Bar Dates by mailing a copy of the Bar Date Notice, together with a Proof of Claim form, by first-class United States mail, postage prepaid, to all known persons and entities holding potential prepetition claims against the Debtors.
4. Except as otherwise provided herein, any person and entity (excluding any governmental unit), asserting a claim against the Debtors in the Chapter 11 Cases shall file a Proof of Claim so that it is received, as provided in paragraphs 9 and 10 below, by BMC Group, Inc., ("**BMC**") on or before 4:00 p.m. (prevailing Eastern Time) on the date that is sixty (60) days after the Debtors' file their Schedules (the "**General Bar Date**").
5. All governmental units (as defined in Section 101(27) of the Bankruptcy Code) asserting claims against one or more of the Debtors shall file Proofs of Claim so they are received, as provided in paragraphs 8 and 9 below, by BMC on or before March 27, 2012 at 4:00 p.m. (prevailing Eastern Time).
6. If a claim is included in the Debtors' Schedules or any amendments thereto, and is not included as disputed, contingent, or unliquidated, and, on or after the date on which the Debtors serve the Bar Date Notice, the Debtors amend or supplement their Schedules (a) to

reduce the undisputed, noncontingent, and liquidated amount of such claim, (b) to change the nature or characterization of such claim or the Debtor against whom such claim is scheduled, or (c) to add a new claim to the Schedules, the affected claimant shall file a Proof of Claim or amend any previously filed Proof of Claim in respect of the amended scheduled claim in accordance with the procedures described herein so that it is received, as provided in paragraphs 8 and 9 below, by BMC on or before the later of (i) the General Bar Date and (ii) 21 days after the claimant is served with notice of the applicable amendment or supplement to the Schedules.

7. In the event a Debtor rejects executory contracts or unexpired leases pursuant to Section 365 of the Bankruptcy Code, Proofs of Claim in connection with Rejection Damages Claims shall be filed so that they are received, as provided in paragraphs 8 and 9 below, by BMC on or before the later of (a) the General Bar Date and (b) thirty (30) days after the effective date of such Court order.

8. Proofs of Claim must be sent by first-class mail to BMC Group, Inc., Attn: Graceway Claims Processing, PO Box 3020, Chanhassen, MN 55317-3020, or by overnight courier or hand-delivery to BMC Group, Inc., Attn: Graceway Claims Processing, 18750 Lake Drive East, Chanhassen, MN 55137.

9. Proofs of Claim mailed or delivered to BMC will be deemed timely filed only if actually received by BMC on or before the Bar Date associated with such claim at the address listed in paragraph 8 above.

10. BMC shall not accept Proofs of Claim by facsimile, telecopy, e-mail or other electronic submission.

11. Notwithstanding paragraph 2 above, the following persons or entities are not required to file Proofs of Claim:

- a) any person or entity that has already properly filed a proof of claim against the correct Debtor(s) with either BMC or the Clerk of the Court for the United States Bankruptcy Court for the District of Delaware;
- b) any person or entity (i) whose claim is listed in the Schedules or any amendments thereto, and (ii) whose claim is not described therein as “disputed,” “contingent,” or “unliquidated,” and (iii) who does not dispute the amount or characterization of its claim (including that the claim is an obligation of the specific Debtor against which the claim is listed in the Schedules) as set forth in the Schedules;
- c) any person or entity asserting a claim under Section 503(b)(9) of the Bankruptcy Code on account of prepetition goods received by the Debtors within twenty days of the Petition Date, whose claim shall be governed by separate order of this Court;
- d) professionals retained by the Debtors or the Committee pursuant to orders of this Court who assert administrative claims for fees and expenses subject to this Court’s approval pursuant to Sections 330, 331 and 503(b) of the Bankruptcy Code;
- e) any person or entity that asserts an administrative expense claim against the Debtors pursuant to Section 503(b) of the Bankruptcy Code;
- f) current officers and directors of the Debtors who assert claims for indemnification and/or contribution arising as a result of such officers’ or directors’ prepetition or postpetition services to the Debtors;
- g) any Debtor asserting a claim against another Debtor;
- h) any wholly-owned non-debtor subsidiary of a Debtor asserting a claim against a Debtor (other than a claim against Graceway Canada Holdings, Inc.);
- i) any person or entity whose claim against the Debtors has been allowed by an order of this Court, entered on or before the Bar Dates;
- j) the administrative agent for the lenders under the Debtors’ prepetition first lien credit facility and such lenders, in each case, solely with respect to any claim arising under such prepetition first lien credit facility or any agreement related thereto; and
- k) any person or entity holding a claim payable to the Court or the United States Trustee Program pursuant to 28 U.S.C. § 1930.

12. Any Interest Holder, whose interest is based exclusively upon the ownership of common or preferred stock in a corporation, a membership interest in a limited liability

company, a general or limited partner interest in a partnership, or warrants or rights to purchase, sell, or subscribe to such a security or interest (collectively, an “**Interest**”), need not file a proof of interest on or before the General Bar Date; provided, however, that Interest Holders who wish to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance, or distribution of such Interest, must file Proofs of Claim on or before the General Bar Date, unless one of the exceptions contained in paragraph 11 above applies.

13. Any entity asserting claims against more than one Debtor must file a separate Proof of Claim with respect to each such Debtor on or before the applicable Bar Date. In addition, any entity filing a Proof of Claim must identify on its Proof of Claim the particular Debtor against which its claim is asserted.

14. Any person or entity that is required to file a timely Proof of Claim in the form and manner specified by this Order and who fails to do so on or before the Bar Date associated with such claim shall not, with respect to such claim, be treated as a creditor of the Debtors for the purpose of voting on, or receiving distributions under, any chapter 11 plan or plans in these Chapter 11 Cases.

15. The Proof of Claim form, substantially in the form attached to the Motion as Exhibit B, and the Bar Date Notice, substantially in the form attached to the Motion as Exhibit C, are hereby approved in all respects.

16. The Bar Date Notice shall be deemed good, adequate, and sufficient notice of the relief granted by this Order to all known creditors of the Debtors if it is served, together with the Proof of Claim form, by being deposited in first-class U.S. mail, postage prepaid no later than

five (5) business days after the filing of the Schedules to all persons and entities known by the Debtors to be holding potential prepetition claims against the Debtors.

17. The Debtors shall publish the Publication Notice, substantially in the form attached to the Motion as Exhibit D, in the national edition of *The Wall Street Journal* at least once no later than twenty-one (21) days prior to the General Bar Date, which Publication Notice is hereby approved in all respects and which shall be deemed good, adequate, and sufficient notice of the Bar Dates by publication.

18. Nothing in this Order shall prejudice the right of the Debtors or any other party in interest herein to dispute, or to assert offsets or defenses to, any claim reflected in the Schedules as to amount, liability, characterization, or otherwise, and to subsequently designate any claim as disputed, contingent or unliquidated.

19. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

20. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: \_\_\_\_\_, 2011  
Wilmington, Delaware

\_\_\_\_\_  
United States Bankruptcy Judge

**Exhibit B**

**Proof of Claim Form**

<b>UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE</b>		<b>PROOF OF CLAIM</b>
Name of Debtor: _____		Case Number: _____
NOTE: <i>This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</i>		
Name of Creditor (the person or other entity to whom the debtor owes money or property): _____		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.  Court Claim Number: _____ <i>(If known)</i>  Filed on: _____
Name and address where notices should be sent: _____  Telephone number: _____		
Name and address where payment should be sent (if different from above): _____  Telephone number: _____		<input type="checkbox"/> 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.  <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ _____  If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.  If all or part of your claim is entitled to priority, complete item 5.  <input type="checkbox"/> 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.		5. 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.  <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).  <input type="checkbox"/> 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).  <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).  <input type="checkbox"/> 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).  <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).  <input type="checkbox"/> 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.
2. Basis for Claim: _____ (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: _____  3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 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: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> 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: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of 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 7 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: _____		
Date: _____	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.	
		<b>FOR COURT USE ONLY</b>

**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.

**Items to be completed in Proof of Claim form**

**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

**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. 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).

**1. 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 4 and 5. Check the box if interest or other charges are included in the claim.

**2. 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.

**3. 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.

**3a. 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.

**4. 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.

**5. 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.

**6. 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.

**7. 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 2. Do not send original documents, as attachments may be destroyed after scanning.

**Date and Signature:**

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. 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**

**INFORMATION**

**Debtor**

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

**Creditor**

A creditor is a person, corporation, or other entity owed a debt by the debtor that arose on or before the date of the bankruptcy filing. See 11 U.S.C. §101 (10)

**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 clerk of the same bankruptcy court in which the bankruptcy case was filed.

**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).

**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.

**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system ([www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)) for a small fee to view your filed proof of 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.

**Mail to:**

United States Bankruptcy Court  
Attn: Claims  
824 Market Street, 3rd Floor  
Wilmington, DE 19801



**Exhibit C**

**Bar Date Notice**

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

In re:

GRACEWAY PHARMACEUTICALS, LLC,  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-13036 (MFW)

Joint Administration Pending

**NOTICE OF ENTRY OF BAR DATE ORDER ESTABLISHING  
DEADLINES FOR FILING PROOFS OF CLAIM AGAINST THE DEBTORS**

<b>DEBTOR(S)</b> (Other names, if any, used by the Debtor(s) in the last 6 years appear in parentheses)	<b>CASE NO.</b>	<b>EIN #</b>	<b>ADDRESS</b>
<b>Graceway Pharma Holding Corp.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13037	27-3569175	340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620
<b>Graceway Holdings, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13038	20-4182502	
<b>Graceway Pharmaceuticals, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13036	14-1965385	
<b>Chester Valley Holdings, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13039	20-1929457	

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Graceway Pharma Holding Corp., a Delaware corporation (9175); Graceway Holdings, LLC, a Delaware limited liability company (2502); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385); Chester Valley Holdings, LLC, a Delaware limited liability company (9457); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713); Graceway Canada Holdings, Inc., a Delaware corporation (6663); and Graceway International, Inc., a Delaware corporation (2399). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy).

<b>Chester Valley Pharmaceuticals, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13041	20-1933713	
<b>Graceway Canada Holdings, Inc.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13042	20-8046663	
<b>Graceway International, Inc.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13043	26-0212399	

**PLEASE TAKE NOTICE THAT:**

The United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) has entered an order (the “**Bar Date Order**”) establishing deadlines to file proofs of claim for all claims (as defined below) against the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) that arose prior to September 29, 2011 (the “**Petition Date**”).

You should not file a Proof of Claim if you do not have a claim against the Debtors. The fact that you received this Notice does not necessarily mean that you have a claim or that either the Debtors or the Bankruptcy Court believe that you have a claim.

Pursuant to the terms of the Bar Date Order, and except as otherwise provided herein, each person or entity<sup>2</sup> (including, without limitation, each individual, partnership, joint venture, corporation, limited liability company, estate, trust, or governmental unit<sup>3</sup>) that holds or asserts a claim against any of the Debtors must file a proof of claim with original signature, substantially conforming to the proof of claim form attached hereto, so that it is actually received by BMC Group, Inc. (“**BMC**”), the approved Bankruptcy Court claims and noticing agent in these chapter 11 cases (the “**Chapter 11 Cases**”), on or before the Bar Dates set forth below. Proofs of Claim must be sent by first-class mail to BMC Group, Inc., Attn: Graceway Claims Processing, PO Box 3020, Chanhassen, MN 55317-3020, or by overnight courier or hand-delivery to BMC Group, Inc., Attn: Graceway Claims Processing, 18750 Lake Drive East, Chanhassen, MN 55137.

To be properly filed, a proof of claim must be filed in the bankruptcy case of the specific Debtor against which the claimant holds or asserts a claim. For example, if a claimant holds or asserts a claim against Graceway Pharmaceuticals, LLC, the proof of claim must be filed against Graceway Pharmaceuticals, LLC in case number 11-13036 (MFW). If a claimant wishes to

<sup>2</sup> “Entity” has the meaning given to it in Section 101(15) of the Bankruptcy Code.

<sup>3</sup> “Governmental Unit” has the meaning given to it in Section 101(27) of the Bankruptcy Code.

assert a claim against more than one Debtor, separate proof of claim forms must be filed against each applicable Debtor.

Proofs of claim will be deemed timely filed only if actually received by BMC on or before the Bar Date associated with such claim. Further, BMC will not accept proofs of claim sent by facsimile, telecopy, e-mail, or other electronic submission, and such claims will not be deemed to be properly filed claims.

General Bar Date. Except as otherwise provided herein, each person or entity, holding or asserting a claim against one or more of the Debtors that arose prior to the Petition Date must file a proof of claim so that it is actually received by BMC on or before [\_\_\_\_\_], **2011 at 4:00 p.m.** (prevailing Eastern Time) (the "**General Bar Date**").

Governmental Unit Bar Date. Each governmental unit holding or asserting a claim against one or more of the Debtors that arose prior to the Petition Date must file a proof of claim so that it is actually received by BMC on or before **March 27, 2012 at 4:00 p.m.** (prevailing Eastern Time) (the "**Governmental Bar Date**").

Amended Schedules Bar Date. If a claim is included in the Debtors' Schedules or any amendments thereto, and is not included as disputed, contingent, or unliquidated, and, on or after the date on which the Debtors serve this Notice, the Debtors amend or supplement their schedules of assets and liabilities, list of equity holders, and statements of financial affairs (collectively, the "**Schedules**") (a) to reduce the undisputed, noncontingent, and liquidated amount of such claim, (b) to change the nature or characterization of such claim or the Debtor against whom such claim is scheduled, or (c) to add a new claim to the Schedules, the affected claimant is required to file a proof of claim or amend any previously filed proof of claim in respect of the amended scheduled claim so that the proof of claim is actually received by BMC on or before the later of (i) the General Bar Date and (ii) 21 days after the claimant is served with notice of the applicable amendment or supplement to the Schedules (the "**Amended Schedule Bar Date**").

Rejection Bar Date. A proof of claim relating to a Debtor's rejection of an executory contract or unexpired lease pursuant to a Court order entered prior to the applicable Debtor's plan of reorganization must be filed so that it is actually received by BMC on or before the later of (a) the General Bar Date and (b) thirty (30) days after the effective date of such Court order (the "**Rejection Bar Date**," and together with the aforementioned bar dates, the "**Bar Dates**").

For purposes of the Bar Date Order and this Notice, the term "claim" means (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured as of the Petition Date.

**The following persons and entities need NOT file a proof of claim:**

- a) any person or entity that has already properly filed a proof of claim against the correct Debtor(s) with either BMC or the Clerk of the Court for the United States Bankruptcy Court for the District of Delaware;
- b) any person or entity (i) whose claim is listed in the Debtors' Schedules or any amendments thereto, and (ii) whose claim is not described therein as "disputed," "contingent," or "unliquidated," and (iii) who does not dispute the amount or characterization of its claim (including that the claim is an obligation of the specific Debtor against which the claim is listed in the Schedules) as set forth in the Schedules;
- c) any person or entity asserting a claim under Section 503(b)(9) of the Bankruptcy Code on account of prepetition goods received by the Debtors within twenty days of the Petition Date, whose claim is governed by separate order of this Court;
- d) professionals retained by the Debtors or the Committee pursuant to orders of this Court who assert administrative claims for fees and expenses subject to this Court's approval pursuant to Sections 330, 331 and 503(b) of the Bankruptcy Code;
- e) any person or entity that asserts an administrative expense claim against the Debtors pursuant to Section 503(b) of the Bankruptcy Code
- f) current officers and directors of the Debtors who assert claims for indemnification and/or contribution arising as a result of such officers' or directors' prepetition or postpetition services to the Debtors;
- g) any Debtor asserting a claim against another Debtor;
- h) any wholly-owned non-debtor subsidiary of a Debtor asserting a claim against a Debtor (other than a claim against Graceway Canada Holdings, Inc.);
- i) any person or entity whose claim against the Debtors has been allowed by an order of this Court, entered on or before the Bar Dates;
- j) the administrative agent for the lenders under the Debtors' prepetition first lien credit facility and such lenders, in each case, solely with respect to any claim arising under such prepetition first lien credit facility or any agreement related thereto; and
- k) any person or entity holding a claim payable to the Court or the United States Trustee Program pursuant to 28 U.S.C. § 1930.

Any person or entity (including, without limitation, any individual, partnership, joint venture, corporation, limited liability company, estate, trust or governmental unit) holding an interest in the Debtors (an “**Interest Holder**”), which interest is based exclusively upon the ownership of common or preferred stock in a corporation, a membership interest in a limited liability company, a general or limited partner interest in a partnership, or warrants or rights to purchase, sell or subscribe to such a security or interest (any such security or interest being referred to in this Notice as an “**Interest**”), need not file a proof of interest on or before the General Bar Date; provided, however, that Interest Holders who wish to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of such Interest, must file proofs of claim on or before the General Bar Date (or, in the case of a governmental unit, the Governmental Bar Date), unless another exception identified in the Bar Date Order applies.

Any person or entity that is required to file a timely Proof of Claim in the form and manner specified by the Bar Date Order and who fails to do so on or before the bar date associated with such claim shall not, with respect to such claim, be treated as a creditor of the Debtors for the purpose of voting on, or receiving distributions under, any chapter 11 plan or plans in these Chapter 11 Cases.

The Debtors reserve the right to (a) dispute, or to assert offsets or defenses against, any claim filed or any claim listed or reflected in the Schedules as to nature, amount, liability, classification, or otherwise; and (b) subsequently designate any claim as disputed, contingent, or unliquidated. Nothing contained in this Notice shall preclude the Debtors from objecting to any filed claim on any grounds.

Acts or omissions of the Debtors, if any, that occurred prior to the Petition Date, including acts or omissions related to any indemnity agreements, guarantees, or services provided to or rendered by the Debtors, may give rise to claims against the Debtors notwithstanding the fact that such claims (or any injuries on which they are based) may be contingent or may not have matured or become fixed or liquidated prior to the Petition Date. Therefore, any person or entity that holds or asserts a claim or a potential claim against the Debtors, no matter how remote or contingent, must file a proof of claim on or before the General Bar Date.

You may be listed as the holder of a claim against the Debtors in the Schedules. If you hold or assert a claim that is not listed in the Schedules or if you disagree with the amount or priority of your claim as listed in the Schedules, or your claim is listed in the Schedules as “contingent,” “unliquidated,” or “disputed,” you must file a proof of claim. Copies of the Schedules and the Bar Date Order are available for inspection during regular business hours at the office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the District of Delaware, [ ] Floor, 824 Market Street, Wilmington, Delaware 19801. In addition, copies of the Debtors’ Schedules and Bar Date Order may be obtained for a charge through Delaware Document Retrieval, 2 East 7th Street, 2nd Floor, Wilmington, Delaware 19801; viewed and downloaded free of charge on BMC’s dedicated website for the Debtors’ Chapter 11 Cases ([www.bmcgroup.com/graceway](http://www.bmcgroup.com/graceway)); or viewed and downloaded for a fee at the Bankruptcy Court’s

website (<http://www.deb.uscourts.gov/>) by following the directions for accessing the ECF system on such website.

Questions concerning the contents of this Bar Date Notice and requests for proofs of claim should be directed to BMC at (888) 909-0100. Please note that BMC's staff is not permitted to give legal advice. You should consult your own attorney for assistance regarding any other inquiries, such as questions concerning the completion or filing of a proof of claim.

Dated: \_\_\_\_\_, 2011  
Wilmington, Delaware

Respectfully Submitted,

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Michael R. Nestor (No. 3526)  
Kara Hammond Coyle (No. 4410)  
YOUNG CONAWAY STARGATT & TAYLOR, LLP  
1000 West Street, 17th Floor  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253

-and-

David S. Heller  
Josef S. Athanas  
Matthew L. Warren  
LATHAM & WATKINS LLP  
Suite 5800  
233 South Wacker Drive  
Chicago, IL 60606  
Telephone: (312) 876-7700  
Facsimile: (312) 993-9767

PROPOSED ATTORNEYS FOR DEBTORS AND  
DEBTORS-IN-POSSESSION

**Exhibit D**

**Publication Notice**



**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 (MFW)

Joint Administration Pending

**NOTICE OF ENTRY OF BAR DATE ORDER ESTABLISHING  
DEADLINES FOR FILING PROOFS OF CLAIM AGAINST THE DEBTORS**

DEBTOR(S) (Other names, if any, used by the Debtor(s) in the last 6 years appear in parentheses)	CASE NO.	EIN #	ADDRESS
<b>Graceway Pharma Holding Corp.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13037	27-3569175	340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620
<b>Graceway Holdings, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13038	20-4182502	
<b>Graceway Pharmaceuticals, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13036	14-1965385	
<b>Chester Valley Holdings, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13039	20-1929457	

<b>Chester Valley Pharmaceuticals, LLC</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13041	20-1933713	
<b>Graceway Canada Holdings, Inc.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13042	20-8046663	
<b>Graceway International, Inc.</b> (Aldara, Atopiclair, Zyclara, Maxair, Minitran, Tambocor, MetroGel Vaginal, Estrasorb, Norflex, Calcium Disodium Versenate, Duromine, Theolair, Norgestic, Norgestic Forte, and Benziq)	11-13043	26-0212399	

**PLEASE TAKE NOTICE THAT:**

The United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) has entered an order (the “**Bar Date Order**”) establishing deadlines to file proofs of claim against the following debtors and debtors-in-possession (collectively, the “**Debtors**”): Graceway Pharma Holding Corp., a Delaware corporation; Graceway Holdings, LLC, a Delaware limited liability company; Graceway Pharmaceuticals, LLC, a Delaware limited liability company; Chester Valley Holdings, LLC, a Delaware limited liability company; Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company; Graceway Canada Holdings, Inc., a Delaware corporation; and Graceway International, Inc., a Delaware corporation. These deadlines apply to all claims (as defined below) that arose prior to September 29, 2011 (the “**Petition Date**”).

You should not file a Proof of Claim if you do not have a claim against the Debtors. The fact that you received this Notice does not necessarily mean that you have a claim or that either the Debtors or the Bankruptcy Court believe that you have a claim.

Pursuant to the terms of the Bar Date Order, and except as otherwise provided herein, each person or entity (as defined in Section 101(15) of the Bankruptcy Code), including, without limitation, each individual, partnership, joint venture, corporation, limited liability company, estate, trust, or governmental unit (as defined in Section 101(27) of the Bankruptcy Code), that holds or asserts a claim against any of the Debtors must file a proof of claim with original signature, substantially conforming to the proof of claim form attached hereto, so that it is actually received by BMC Group, Inc. (“**BMC**”), the approved Bankruptcy Court claims and noticing agent in these chapter 11 cases (the “**Chapter 11 Cases**”), on or before the Bar Dates set forth below. Proofs of Claim must be sent by first-class mail to BMC Group, Inc., Attn: Graceway Claims Processing, PO Box 3020, Chanhassen, MN 55317-3020, or by overnight courier or hand-delivery to BMC Group, Inc., Attn: Graceway Claims Processing, 18750 Lake Drive East, Chanhassen, MN 55137.

To be properly filed, a proof of claim must be filed in the bankruptcy case of the specific Debtor against which the claimant holds or asserts a claim. For example, if a claimant holds or asserts a claim against Graceway Pharmaceuticals, LLC, the proof of claim must be filed against Graceway Pharmaceuticals, LLC in case number 11-13036 (MFW). If a claimant wishes to assert a claim against more than one Debtor, separate proof of claim forms must be filed against each applicable Debtor.

Proofs of claim will be deemed timely filed only if actually received by BMC on or before the bar date associated with such claim. Further, BMC will not accept proofs of claim sent by facsimile, telecopy, e-mail, or other electronic submission, and such claims will not be deemed to be properly filed claims.

General Bar Date. Except as otherwise provided herein, each person or entity, holding or asserting a claim against one or more of the Debtors that arose prior to the Petition Date must file a proof of claim so that it is actually received by BMC on or before [ \_\_\_\_\_ ], **2011 at 4:00 p.m.** (prevailing Eastern Time) (the "**General Bar Date**").

Governmental Unit Bar Date. Each governmental unit holding or asserting a claim against one or more of the Debtors that arose prior to the Petition Date must file a proof of claim so that it is actually received by BMC on or before **March 27, 2011 at 4:00 p.m.** (prevailing Eastern Time) (the "**Governmental Bar Date**").

Amended Schedules Bar Date. If a claim is included in the Debtors' Schedules or any amendments thereto, and is not included as disputed, contingent, or unliquidated, and, on or after the date on which the Debtors serve this Notice, the Debtors amend or supplement their schedules of assets and liabilities, list of equity holders, and statements of financial affairs (collectively, the "**Schedules**") (a) to reduce the undisputed, noncontingent, and liquidated amount of such claim, (b) to change the nature or characterization of such claim or the Debtor against whom such claim is scheduled, or (c) to add a new claim to the Schedules, the affected claimant is required to file a proof of claim or amend any previously filed proof of claim in respect of the amended scheduled claim so that the proof of claim is actually received by BMC on or before the later of (i) the General Bar Date and (ii) 21 days after the claimant is served with notice of the applicable amendment or supplement to the Schedules (the "**Amended Schedule Bar Date**").

Rejection Bar Date. A proof of claim relating to a Debtor's rejection of an executory contract or unexpired lease pursuant to a Court order entered prior to the applicable Debtor's plan of reorganization must be filed so that it is actually received by BMC on or before the later of (a) the General Bar Date and (b) thirty (30) days after the effective date of such Court order (the "**Rejection Bar Date**," and together with the aforementioned bar dates, the "**Bar Dates**").

For purposes of the Bar Date Order and this Notice, the term "claim" means (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed,

contingent, matured, unmatured, disputed, undisputed, secured, or unsecured as of the Petition Date.

**The following persons and entities need NOT file a proof of claim:**

- a) any person or entity that has already properly filed a proof of claim against the correct Debtor(s) with either BMC or the Clerk of the Court for the United States Bankruptcy Court for the District of Delaware;
- b) any person or entity (i) whose claim is listed in the Debtors' Schedules or any amendments thereto, and (ii) whose claim is not described therein as "disputed," "contingent," or "unliquidated," and (iii) who does not dispute the amount or characterization of its claim (including that the claim is an obligation of the specific Debtor against which the claim is listed in the Schedules) as set forth in the Schedules;
- c) any person or entity asserting a claim under Section 503(b)(9) of the Bankruptcy Code on account of prepetition goods received by the Debtors within twenty days of the Petition Date, whose claim is governed by separate order of this Court;
- d) professionals retained by the Debtors or the Committee pursuant to orders of this Court who assert administrative claims for fees and expenses subject to this Court's approval pursuant to Sections 330, 331 and 503(b) of the Bankruptcy Code;
- e) any person or entity that asserts an administrative expense claim against the Debtors pursuant to Section 503(b) of the Bankruptcy Code;
- f) current officers and directors of the Debtors who assert claims for indemnification and/or contribution arising as a result of such officers' or directors' prepetition or postpetition services to the Debtors;
- g) any Debtor asserting a claim against another Debtor;
- h) any wholly-owned non-debtor subsidiary of a Debtor asserting a claim against a Debtor (other than a claim against Graceway Canada Holdings, Inc.);
- i) any person or entity whose claim against the Debtors has been allowed by an order of this Court, entered on or before the Bar Dates;
- j) the administrative agent for the lenders under the Debtors' prepetition first lien credit facility and such lenders, in each case, solely with respect to any claim arising under such prepetition first lien credit facility or any agreement related thereto; and
- k) any person or entity holding a claim payable to the Court or the United States Trustee Program pursuant to 28 U.S.C. § 1930.

Any person or entity (including, without limitation, any individual, partnership, joint venture, corporation, limited liability company, estate, trust or governmental unit) holding an interest in the Debtors (an “**Interest Holder**”), which interest is based exclusively upon the ownership of common or preferred stock in a corporation, a membership interest in a limited liability company, a general or limited partner interest in a partnership, or warrants or rights to purchase, sell or subscribe to such a security or interest (any such security or interest being referred to in this Notice as an “**Interest**”), need not file a proof of interest on or before the General Bar Date; provided, however, that Interest Holders who wish to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of such Interest, must file proofs of claim on or before the General Bar Date (or, in the case of a governmental unit, the Governmental Bar Date), unless another exception identified in the Bar Date Order applies.

Any person or entity that is required to file a timely Proof of Claim in the form and manner specified by the Bar Date Order and who fails to do so on or before the bar date associated with such claim shall not, with respect to such claim, be treated as a creditor of the Debtors for the purpose of voting on, or receiving distributions under, any chapter 11 plan or plans in these Chapter 11 Cases.

The Debtors reserve the right to (a) dispute, or to assert offsets or defenses against, any claim filed or any claim listed or reflected in the Schedules as to nature, amount, liability, classification, or otherwise; and (b) subsequently designate any claim as disputed, contingent, or unliquidated. Nothing contained in this Notice shall preclude the Debtors from objecting to any filed claim on any grounds.

Acts or omissions of the Debtors, if any, that occurred prior to the Petition Date, including acts or omissions related to any indemnity agreements, guarantees, or services provided to or rendered by the Debtors, may give rise to claims against the Debtors notwithstanding the fact that such claims (or any injuries on which they are based) may be contingent or may not have matured or become fixed or liquidated prior to the Petition Date. Therefore, any person or entity that holds or asserts a claim or a potential claim against the Debtors, no matter how remote or contingent, must file a proof of claim on or before the General Bar Date.

You may be listed as the holder of a claim against the Debtors in the Schedules. If you hold or assert a claim that is not listed in the Schedules or if you disagree with the amount or priority of your claim as listed in the Schedules, or your claim is listed in the Schedules as “contingent,” “unliquidated,” or “disputed,” you must file a proof of claim. Copies of the Schedules and the Bar Date Order are available for inspection during regular business hours at the office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the District of Delaware, [ ] Floor, 824 Market Street, Wilmington, Delaware 19801. In addition, copies of the Debtors’ Schedules and Bar Date Order may be obtained for a charge through Delaware Document Retrieval, 2 East 7th Street, 2nd Floor, Wilmington, Delaware 19801; viewed and downloaded free of charge on BMC’s dedicated website for the Debtors’ Chapter 11 Cases ([www.bmcgroup.com/graceway](http://www.bmcgroup.com/graceway)); or viewed and downloaded for a fee at the Bankruptcy Court’s

website (<http://www.deb.uscourts.gov/>) by following the directions for accessing the ECF system on such website.

Questions concerning the contents of this Bar Date Notice and requests for proofs of claim should be directed to BMC at (888) 909-0100. Please note that BMC's staff is not permitted to give legal advice. You should consult your own attorney for assistance regarding any other inquiries, such as questions concerning the completion or filing of a proof of claim.

Dated: \_\_\_\_\_, 2011  
Wilmington, Delaware

Respectfully Submitted,

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PROPOSED ATTORNEYS FOR DEBTORS AND  
DEBTORS-IN-POSSESSION