

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

In re:

GRACEWAY PHARMACEUTICALS, LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

Jointly Administered

Ref. Docket No. 19

**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**")² 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

¹ 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), Case No. 11-13037 (PJW); Graceway Holdings, LLC, a Delaware limited liability company (2502), Case No. 11-13038 (PJW); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385), Case No. 11-13036 (PJW); Chester Valley Holdings, LLC, a Delaware limited liability company (9457), Case No. 11-13039 (PJW); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713), Case No. 11-13041 (PJW); Graceway Canada Holdings, Inc., a Delaware corporation (6663), Case No. 11-13042 (PJW); and Graceway International, Inc., a Delaware corporation (2399), Case No. 11-13043 (PJW). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy). On October 4, 2011, Graceway Canada Company filed an application in the Ontario Superior Court of Justice (Commercial List) pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C. 43.

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

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:

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 in the form attached to the Motion as Exhibit C, 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 8 and 9 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 described therein 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 service of notice of entry of the order approving rejection of the particular contract or unexpired lease at issue.

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.

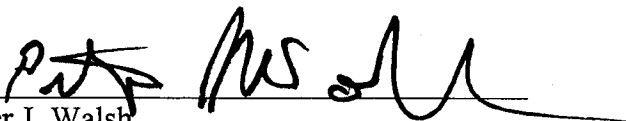
17. The Debtors shall publish the Publication Notice, substantially in the form attached to the Motion as Exhibit D, in the national edition of *The Wall Street Journal* at least once no later than twenty-one (21) days prior to the General Bar Date, which Publication Notice is hereby approved in all 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: Oct 17, 2011
Wilmington, Delaware


Peter J. Walsh
United States Bankruptcy Judge