

**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

Re: Docket Nos. 162, 163, 164

Hearing Date: November 7, 2011 at 2:00 p.m.

**MOTION TO SHORTEN NOTICE OF
RETENTION APPLICATIONS FOR COMMITTEE PROFESSIONALS**

The Official Committee of Unsecured Creditors ("Committee"), by its undersigned attorneys, hereby moves this Court for an order pursuant to Rule 9006(e) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), shortening notice in connection with the Application Pursuant to Bankruptcy Code Sections 328(A), 1103(A), and 1103(B) Authorizing the Employment and Retention of Elliott Greenleaf as Co-Counsel to the Official Committee of Unsecured Creditors *Nunc Pro Tunc* as of October 11, 2011 (Docket No. 162), the Application for an Order Pursuant to 11 U.S.C. Sections 328(A) and 1103 Authorizing and Approving the Employment and Retention of Lowenstein Sandler PC as Counsel to the Official Committee of Unsecured Creditors (Docket No. 163) and the Application Pursuant to Fed. R. Bankr. P. 2014(A) for Order Under Section 1103 of the Bankruptcy Code Authorizing the Employment and Retention of FTI Consulting, Inc. as Restructuring and Financial Advisor to the Official Committee

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); 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).

of Unsecured Creditors *Nunc Pro Tunc* To October 13, 2011 (Docket No. 164) (collectively the “Applications”) of their Proposed Co-Counsel, Elliott Greenleaf (“EG”) and Lowenstein Sandler PC (“LS”) and restructuring and financial advisor, FTI Consulting, Inc. (“FTI”) (collectively “Committee Professionals”). The Committee Professionals filed their Applications concurrently with this Motion to Shorten Notice of Retention Applications for Committee Professionals (Docket Nos. 162, 163, 164) (the “Motions”). In support thereof, the Committee respectfully represents as follows:

1. As set forth in more detail in the Applications, the Committee requests that the Court approve the retention of the Committee Professionals EG, LS and FTI *nunc pro tunc* to October 11, 2011 for EG and LS, and October 13, 2011 for FTI. The Committee requests that the Court shorten the time for notice of the Applications otherwise required under the Bankruptcy Rules and/or the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") and set the deadline for filing a response. The Committee requests that the time to provide notice of hearing and objections be shortened from the seventeen (17) days provided in Del. Bankr. L.R. 9006-1(c) and Fed. R. Bankr. P. 9006-1(c) to ten (10) days from the date of the hearing to allow the Applications to be heard at the regularly scheduled hearing on November 7, 2011 at 2:00 p.m. (prevailing Eastern Time).

2. The Committee requests the time for notice be shortened by seven (7) days in order to allow its professionals to timely file monthly fee applications before year end, prevent a backlog of review of fee applications under the interim compensation order entered in the above captioned bankruptcy matter, prevent delay in the filing of quarterly

fee applications, and to avoid any issue with the Office of the United States Trustee related to *nunc pro tunc* retention. The Committee and its professionals respectfully submit that a seven (7) day delay in receipt of the Applications for review by an interested party will not prejudice any party who has any issues with the Applications and will allow the case to proceed in an expeditious manner.

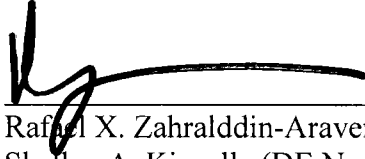
3. Unfortunately, the formation meeting in this matter was delayed because of intervening religious and national holidays and as a result, the Committee's professionals have been working diligently resolving various substantive open issues with the Debtors and secured lenders, which has resulted in the rescheduling of many dates and objection deadlines, in an already shortened and aggressive schedule. The next scheduled omnibus hearing date without shortened time is the date for which approval of the sale of the Debtors' assets is scheduled, and could prove to be a busy calendar.

4. For all of the above reasons, the Committee respectfully requests that the time for a hearing on the Applications and the objection deadline for the Applications be shortened. The Committee requests that the objection deadline be set for the same time the Notice of Agenda is due which is the latest permissible time under Del. Bankr. Local Rule 9006-1(c)(2). The Committee will re-notice the Applications following the Court's determination of this Motion, if necessary.

WHEREFORE, the Committee respectfully requests that the Court enter an order (i) shortening notice with regard to the Applications, and (ii) granting such other and further relief as the Court deems appropriate under the circumstances.

Dated: October 27, 2011
Wilmington, DE

ELLIOTT GREENLEAF



Rafael X. Zahralddin-Aravena (DE No. 4166)
Shelley A. Kinsella (DE No. 4023)
Jonathan M. Stemerman (DE No. 4510)
1105 N. Market Street, Ste 1700
Wilmington, DE 19801
Telephone: (302) 384-9400
Facsimile: (302) 384-9399
Email: rxza@elliottgreenleaf.com
Email: sak@elliottgreenleaf.com
Email: jms@elliottgreenleaf.com

Counsel to Debtors and Debtors-in-Possession