

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

In re:

Chapter 11

GRACEWAY PHARMACEUTICALS,
LLC, *et al.*,

Case No. 11-13036 (PJW)

Debtors.

Jointly Administered

Sale Hearing: November 22, 2011 at 11:00 a.m.
Objection Deadline: November 22, 2011 at 11:00 a.m.
Re: Docket No. 231

**OBJECTION OF PRIME THERAPEUTICS LLC TO
THE DEBTORS' SECOND AMENDED PROPOSED CURE AMOUNTS**

Prime Therapeutics LLC (“Prime”) objects to the cure amounts included in Exhibit 1 to the Second Amended Notice of (I) Cure Amounts with Respect to Executory Contracts to be Assumed and Assigned and (II) Potential Assumption and Assignment of Executory Contracts, dated October 21, 2011 (Docket No. 231) (the “Second Amended Notice”), filed by the above-captioned Debtors (the “Debtors”), which lists proposed cure amounts for an executory contract between Prime and the Debtors. In support of its objection, Prime respectfully states:

1. On September 29, 2011 (the “Petition Date”), the Debtors filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
2. Prior to the Petition Date, Prime entered into two contractual agreements with Graceway Pharmaceuticals, LLC: (i) a Rebate and Administrative Fee Agreement (and subsequent, related amendments) (the “Commercial Contract”); and (ii) a Medicare Part D Rebate and Administrative Fee Agreement (and a subsequent, related amendment) (the “Part D Contract”) (collectively, the “Prime Contracts”).

3. On October 21, 2011, the Debtors filed an Amended Notice of (I) Cure Amounts with Respect to Executory Contracts to be Assumed and Assigned and (II) Potential Assumption and Assignment of Executory Contracts (Docket No. 148) (the “Amended Notice”).

4. In the event that the Debtors assume and assign the Prime Contracts, Prime is entitled to have all amounts due under such contracts paid to it pursuant to 11 U.S.C. § 365(b)(1).

5. The cure amounts proposed by the Debtors in their Amended Notice are inaccurate as to the Prime Contracts.

6. On November 9, 2011, the Debtors filed a Second Amended Notice of (I) Cure Amounts with Respect to Executory Contracts to be Assumed and Assigned and (II) Potential Assumption and Assignment of Executory Contracts (Docket No. 148) (the “Second Amended Notice”).

7. In their Second Amended Notice, the Debtors amended their proposed cure amount for the Commercial Contract, but the Debtors did not amend their proposed cure amount for the Part D Contract.

8. Accordingly, this Objection relates only to the Debtors’ proposed cure amount for the Commercial Contract. Prime’s Objection to the Debtors’ proposed cure amount for the Part D Contract is addressed in a separate filing.

9. As set forth in the following chart, the Debtors’ Second Amended Notice understates the amount due to Prime under the Commercial Contract (the amounts listed arise from both pre- and post-petition obligations of Graceway Pharmaceuticals, LLC under the Commercial Contract).

Proposed Cure Amount	Pre-Petition Amount Due	Post-Petition Amount Due	Total Current Amount Due
\$112,813.26	\$116,392.85	\$74,961.12	\$191,353.97

10. The total current amounts due are supported by the summary of invoices attached as Exhibit A to this Objection.

WHEREFORE, Prime respectfully objects to the Amended Cure Amounts as they pertain to the Prime Contracts and Prime respectfully asks this Court to enter an Order reflecting an accurate cure amount currently due as set forth immediately above.

Dated: November 14, 2011
Wilmington, Delaware

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