

Exhibit C

Letter from M. Warren to M. Joyce, Dated October 31, 2011

LATHAM & WATKINS LLP

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October 31, 2011

VIA FED EX OVERNIGHT DELIVERY

Michael J. Joyce
Cross & Simon, LLC
913 North Market Street
11th Floor
Wilmington, DE 19801

Re: Graceway Pharmaceuticals, LLC, Case No. 11-13036 (PJW)

Mr. Joyce:

On September 29, 2011 (the “Petition Date”), Graceway Pharmaceuticals, LLC (together with affiliated debtors, the “Debtors” or “Graceway”), commenced the above-captioned case under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) to stabilize Graceway’s business while it undertakes an efficient and well managed sale of the business. On October 11, 2011, the Office of the United States Trustee appointed Value Recovery Fund LLC, Metaphor Inc. (“Metaphor”), and 3M Company to the official committee of unsecured creditors pursuant to Section 1102 of the Bankruptcy Code (the “Committee”) [Docket No. 90].

On September 30, 2011, the Bankruptcy Court for the District of Delaware (the “Court”) issued the *Order Enforcing and Restating Automatic Stay and Ipso Facto Provisions of the Bankruptcy Code* [Docket No. 44] (the “Automatic Stay Order”), attached hereto. The Automatic Stay Order provides that, pursuant to Section 362 of the Bankruptcy Code, all persons are “stayed, restrained and enjoined from,” among other things, “taking any action to collect, assess, or recover a claim against the Debtors that arose prior to the commencement of the Debtors’ chapter 11 cases,” “taking any action to obtain possession of property of the Debtors’ estates or to exercise control over property of the estates,” and “commencing . . . any . . . action or proceeding against the Debtors that was or could have been commenced before the commencement of the Debtors chapter 11 cases.”

Within the last two days, you have contacted Debtors’ co-counsel, Latham & Watkins LLP and Young Conaway Stargatt & Taylor, LLP, via telephone and email, attempting to collect claims of Metaphor against the Debtors that arose prior to the commencement of the Debtors’ chapter 11 cases. Such attempts have included threats to, among other things, “immediately issue a ‘takedown notice’ under the applicable provisions of the Millennium Copyright Act.”

LATHAM & WATKINS^{LLP}

Any action to collect claims against the Debtors that arose prior to the commencement of the Debtors' chapter 11 cases or exercise control over property in which the estates have an interest, whether through ownership, license, implied license or otherwise, constitutes a violation of the automatic stay. In the event you or Metaphor violates the automatic stay, the Debtors will take all necessary and appropriate steps to enforce the automatic stay, including, but not limited to, pursuing actual damages, attorneys' fees and punitive damages. See Cuffee v. Atl. Bus. & Cmty. Corp. (In re Atl. Bus. & Cmty. Corp.), 901 F.2d 325, 329 (3d Cir. 1990). In addition, if you and/or Metaphor violate the automatic stay, you may be found in contempt of court and be subject to additional penalties. Violation of the automatic stay by Metaphor would be particularly egregious in light of Metaphor's membership on the Committee, and may also constitute a violation of Metaphor's fiduciary duty to the Debtors' unsecured creditors.

A copy of the Automatic Stay Order is available on the bankruptcy court's website: www.deb.uscourts.gov. Additional copies of the Automatic Stay Order, and all other documents filed in the above-captioned case, are available for free on the website of the Debtors' claims, noticing, soliciting and balloting agent, BMC Group, Inc., at 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.

We look forward to working with Metaphor and the other members of the Committee to maximize value for all unsecured creditors.

Very truly yours,

/s/ Matthew Warren
Matthew Warren
of LATHAM & WATKINS LLP

Attachment

cc: John Bellamy (via email)
Josef Athanas (via email)
Rafael X. Zahralddin-Aravena (via email)
S. Jason Teele (via email)