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 **Objection Deadline: 12/20/2011 @ 4:00 PM** **Hearing Date: Only if Objections are Filed**

NOTICE OF FIRST MONTHLY APPLICATION OF FTI CONSULTING, INC. FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS FINANCIAL ADVISOR FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD OCTOBER 13, 2011 THROUGH OCTOBER 31, 2011

TO: The Notice Parties as defined in the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals (the "Interim Compensation Order") (Docket No. 127). Parties receiving notice in the above-captioned matter pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") shall receive this Notice only.

PLEASE TAKE NOTICE that FTI Consulting, Inc., Financial Advisor to the Official Committee of Unsecured Creditors in the above-captioned cases, has filed the **First Monthly Application of FTI Consulting, Inc. for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisor for the Official Committee of Unsecured Creditors for the Period October 13, 2011 through October 31, 2011** (the "Application"). The Application seeks the allowance of fees in the amount of **$189,395.50** (80%, $151,516.40) and expenses in the amount of **$26.31** for the period **October 13, 2011 through and including October 31, 2011** and payment of 80% of fees in the amount of **$151,516.40** and 100% of the expenses in the amount of **$26.31** pursuant to the Interim Compensation Order. The Application has been filed and served on the Notice Parties pursuant to the Interim Compensation Order. Notice of the

[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).

Application has been filed and served on all parties requesting notice pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE that Objections, if any, to the relief requested in the Application must be filed with the United States Bankruptcy Court, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801, on or **before December 20, 2011 at 4:00 p.m. (prevailing Eastern Time)**, and a copy served upon the following parties so as to be **received no later than 4:00 p.m. (prevailing Eastern Time) on December 20, 2011:**

(i) Graceway Pharmaceuticals, LLC, 340 Martin Luther King Boulevard, Suite 500, Bristol, Tennessee 37620, Attn: John Bellamy; (ii) counsel for the Debtors, Latham & Watkins LLP, Suite 5800, 233 South Wacker Drive, Chicago, Illinois 60606, Attn: Josef S. Athanas and Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, Wilmington, Delaware 19801, Attn: Michael R. Nestor; (iii) counsel for the Committee appointed by the United States Trustee, Lowenstein Sandler PC, 65 Livingston Avenue, Roseland, New Jersey 07068, Attn: S. Jason Teele and Elliott Greenleaf, 1105 North Market Street, Suite 1700, Wilmington, Delaware 19801, Attn: Rafael X. Zahralddin-Aravena; (iv) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware, Attn: Juliet Sarkessian; and (v) special restructuring and bankruptcy counsel to the administrative agent for the lenders under the Debtors' prepetition first lien credit facility, Wachtell, Lipton, Rosen & Kats, 51 West 52nd Street, New York, New York 10019, Attn: Scott K. Charles and Michael S. Benn (the "Notice Parties").

PLEASE TAKE FURTHER NOTICE THAT PURSUANT TO THE INTERIM COMPENSATION ORDER, IF NO OBJECTIONS ARE FILED IN ACCORDANCE WITH THE ABOVE PROCEDURE, THE ABOVE-CAPTIONEDDEBTORS WILL BE AUTHORIZED TO PAY EIGHTY PERCENT (80%) OF REQUESTED FEES AND ONE HUNDRED (100%) OF REQUESTED EXPENSES WITHOUT FURTHER COURT ORDER.

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PLEASE TAKE FURTHER NOTICE THAT ONLY IF AN OBJECTION IS PROPERLY AND TIMELY FILED IN ACCORDANCE WITH THE PROCEDURES SET FORTH ABOVE PURSUANT TO THE INTERIM COMPENSATION ORDER, WILL A HEARING BE HELD ON THE APPLICATION.

Dated: November 30, 2011
Wilmington, Delaware

ELLIOTT GREENLEAF

/s/ Rafael X. Zahralddin-Aravena

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