

# **Exhibit “A”**

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

In re:

GRACEWAY PHARMACEUTICALS, LLC,  
et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

Jointly Administered

**RE: Docket No. 163**

**ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION  
OF LOWENSTEIN SANDLER PC AS COUNSEL TO THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Upon consideration of the application (the "Application")<sup>2</sup> of the Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtors and debtors-in-possession (the "Debtors") for authorization to retain Lowenstein Sandler PC ("Lowenstein Sandler") to serve as counsel for the Committee, effective as of October 11, 2011; and upon consideration of the Declaration of Counsel in support of the Application; and the Court being satisfied that Lowenstein Sandler represents no adverse interest in connection with these bankruptcy cases; and notice of the Application being sufficient; and good cause appearing therefor;

It is **ORDERED** as follows:

1. The Application is granted.

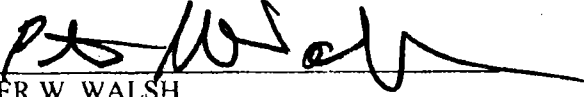
<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Graceway Pharma Holding Corp., a Delaware corporation (9175); Graceway Holdings, LLC, a Delaware limited liability company (2502); Graceway Pharmaceuticals, LLC, a Delaware 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).

<sup>2</sup> Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Application.

2. Pursuant to sections 328(a) and 1103 of the Bankruptcy Code, Bankruptcy Rule 2014 and Rule 2014-1 of the Local Rules, the Committee is authorized and empowered to employ and retain Lowenstein Sandler, effective as of October 11, 2011, to serve as its counsel in the above-captioned cases.

3. Lowenstein Sandler shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the applicable Federal Rules of Bankruptcy Procedure, the rules of this Court, and any applicable orders entered by this Court in respect of compensation of professionals.

Dated: Nov. 7, 2011

  
PETER W. WALSH  
UNITED STATES BANKRUPTCY JUDGE

# **Exhibit ‘B’**

Professional Services rendered by Lowenstein Sandler PC, through October 31, 2011

In re: Chapter 11

**I. SUMMARY OF TIME CHARGES AND HOURLY RATES**

<b>Name of Professional</b>	<b>Year Admitted</b>	<b>Title</b>	<b>Hours Spent</b>	<b>Hourly Rate</b>	<b>Charge</b>
Lerner, Michael J.	1983	Shareholder/Member	0.30	\$750.00	\$225.00
Paradiso, Robert J.	1995	Shareholder/Member	1.90	590.00	1,121.00
Rosen, Kenneth A.	1979	Shareholder/Member	12.50	745.00	9,312.50
Teele, S. Jason	2001	Shareholder/Member	87.00	555.00	48,285.00
Melcher, Ryan S.	2004	Counsel	4.20	475.00	1,995.00
Pietrowski, Elizabeth	2001	Counsel	0.80	450.00	360.00
Chafetz, Eric S.	2004	Associate	4.80	490.00	2,352.00
Ingman, Tatiana	2007	Associate	55.10	420.00	23,142.00
Stefanelli, Nicole	2008	Associate	71.30	370.00	26,381.00
Belvin, Jada S.	N/A	Project Assistant	1.00	95.00	95.00
LaFiura-Smith, Kim Marie	N/A	Paralegal	10.90	180.00	1,962.00
Power, Megan	N/A	Paralegal	14.00	225.00	3,150.00
<b>TOTAL FEES</b>			<b>263.80</b>		<b>\$118,380.50</b>
<b>Blended Rate</b>					<b>\$448.75</b>

## TIME DETAIL:

<u>Code</u>	<u>Date</u>	<u>Timekeeper</u>	<u>Time Narrative</u>	<u>Hours</u>	<u>Amount</u>
<u>B100 - Administration</u>					
<u>B110 Case Administration</u>					
B110	10/11/11	KML	Prepare Notice of Appearance for K. Rosen, S. Teele, and N. Stefanelli	0.60	\$108.00
B110	10/11/11	KML	Prepare Committee By-Laws	1.50	270.00
B110	10/11/11	KML	Prepare pro hac vice papers for S. Teele, K. Rosen and N. Stefanelli	1.20	216.00
B110	10/11/11	NS	Conference call with local counsel	0.30	111.00
B110	10/11/11	NS	Review and revise pro hac vice motions	0.20	74.00
B110	10/11/11	NS	Internal e-mails re: tasks needed to be completed in short term	0.10	37.00
B110	10/12/11	ESC	Phone call with N. Stefanelli re: issues with Lazard retention application, bar date motion and 503(b)(9) bar date motion; review e-mail from N. Stefanelli re: same	0.20	98.00
B110	10/12/11	JSB	Compile and Organize Documents for N. Stefanelli	1.00	95.00
B110	10/12/11	KAR	Conference call with Debtor's counsel	0.50	372.50
B110	10/12/11	KML	Prepare hearing binder index	1.20	216.00
B110	10/12/11	NS	Coordinate with support staff for preparation of hearing binders and other items needed for second day hearing	0.60	222.00
B110	10/12/11	NS	Finalize pro hac vice applications and coordinate filing with local counsel	0.20	74.00
B110	10/13/11	KAR	Telephone conference with FTI; telephone conference with Mesirow re: financial advisor needs	0.50	372.50

ALL DETAILED INFORMATION IS CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL.

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B110	10/13/11	NS	Circulate draft NDA to Committee professionals	0.10	37.00
B110	10/14/11	NS	Revise committee contact list	0.20	74.00
B110	10/14/11	NS	Exchange e-mails with FTI re: conflict parties	0.10	37.00
B110	10/14/11	NS	Telephone conference with local counsel re: critical dates, etc.	0.20	74.00
B110	10/17/11	NS	Circulate NDA executed by Lowenstein	0.10	37.00
B110	10/19/11	KAR	Telephone conference with A. Mintz of Stone Lion	0.40	298.00
B110	10/19/11	NS	Exchange internal e-mails re: bar date order	0.10	37.00
B110	10/19/11	NS	Exchange e-mails with FTI re: conflict parties	0.10	37.00
B110	10/20/11	KAR	Telephone conference with Tanner Partners, buyer of 20 day claims	0.30	223.50
B110	10/21/11	NS	Exchange internal e-mails re: open issues	0.10	37.00
B110	10/27/11	KML	Review docket for First Day Affidavit and Motion for an entry of an order determining the value of the assets of Graceway Canada Company and the Supplement to the motion per T. Ingman	0.60	108.00
B110	10/27/11	NS	Exchange internal e-mails re: calendar control	0.10	37.00
B110	10/28/11	KML	Review docket for protocol motion and order	1.00	180.00
B110	10/31/11	KML	Review critical dates memo and advise counsel of same	2.00	360.00
B110	10/31/11	KML	Review docket re: the commencement of the Canada proceeding	0.80	144.00
<b>Total B110 - Case Administration</b>				<b>14.30</b>	<b>\$3,986.50</b>

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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
<u>B120A Investigation of Prepetition Lenders</u>					
B120A	10/12/11	MP	Review pre-petition loan documents	1.00	225.00
B120A	10/12/11	MP	Draft lien analysis memorandum	1.00	225.00
B120A	10/12/11	RSM	Cursory review of credit documents	0.60	285.00
B120A	10/13/11	MP	Draft pre-petition lien analysis memorandum	2.00	450.00
B120A	10/14/11	MP	Review pre-petition loan documents	1.00	225.00
B120A	10/14/11	MP	Draft pre-petition lien analysis memorandum	2.50	562.50
B120A	10/17/11	MP	Discuss pre-petition lien review with R. Melcher	0.10	22.50
B120A	10/17/11	MP	Draft pre-petition lien review memorandum	2.80	630.00
B120A	10/19/11	MP	Draft pre-petition lien analysis memorandum	0.50	112.50
B120A	10/19/11	RSM	Begin reviewing credit documentation and reviewing and commenting on M. Power draft of lien summary memorandum	2.10	997.50
B120A	10/20/11	RSM	Continue reviewing credit documentation and reviewing and commenting on M. Power draft of lien summary memorandum	0.90	427.50
B120A	10/24/11	MP	Meet with R. Melcher re: pre-petition lien review	0.20	45.00
B120A	10/25/11	MP	Review pre-petition lien analysis memorandum per R. Melcher comments	1.50	337.50
B120A	10/26/11	MP	Meet with R. Melcher and J. Teele re: pre-petition lien review	0.30	67.50
B120A	10/26/11	MP	Draft e-mail correspondence to J. Teele re: lien review document request	0.10	22.50

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Code	Date	Timekeeper	Time Narrative	Hours	Amount
B120A	10/26/11	MP	Review pre-petition loan documents	0.30	67.50
B120A	10/26/11	MP	Revise pre-petition lien analysis memorandum	0.30	67.50
B120A	10/26/11	RSM	Additional review of credit documentation re: questions raised by J. Teele in connection with lien analysis	0.60	285.00
B120A	10/27/11	MP	Review pre-petition secured loan documents	0.30	67.50
B120A	10/28/11	MP	E-mail correspondence with M. Greenberg re: prepetition loan documents	0.10	22.50

**Total B120A - Investigation of Prepetition Lenders**

18.20      \$5,145.00

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B130 Asset Disposition

B130	10/11/11	NS	Review sale motion	1.20	444.00
B130	10/12/11	NS	Drafting objection to bidding procedures	2.50	925.00
B130	10/13/11	NS	Drafting bidding procedures objection	6.00	2,220.00
B130	10/13/11	NS	Draft e-mail to local counsel re: bidding procedures objection	0.10	37.00
B130	10/13/11	NS	Exchange e-mails with local counsel re: revised bidding procedures	0.10	37.00
B130	10/13/11	NS	Exchange internal e-mails re: bidding procedures objection	0.10	37.00
B130	10/13/11	SJT	Review docket and stalking horse APA	1.40	777.00
B130	10/14/11	KAR	Review revisions to bid procedures motion order	0.50	372.50
B130	10/14/11	NS	Exchange e-mails with A. Bekker re: bidding procedures	0.10	37.00

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B130	10/17/11	SJT	Continue review of sale issues and APA	2.40	1,332.00
B130	10/18/11	NS	Review Debtors' motion to determine value of Canadian assets	0.60	222.00
B130	10/19/11	KAR	Review allocation motion	0.60	447.00
B130	10/19/11	NS	Conference call re: motion to determine value of Canada's assets	1.50	555.00
B130	10/19/11	NS	Summarize Debtors' motion to determine value of Canadian assets	1.20	444.00
B130	10/19/11	SJT	Review debtors' motion to allocate sale proceeds	2.10	1,165.50
B130	10/19/11	SJT	Telephone conference with committee professionals re: allocation motion	1.00	555.00
B130	10/19/11	SJT	Research re: valuation and allocation issues	1.30	721.50
B130	10/21/11	SJT	Review APA and schedules	1.30	721.50
B130	10/21/11	SJT	Attention to allocation issues and research	1.70	943.50
B130	10/21/11	SJT	Telephone conference with committee professionals re: allocation and DIP issues	0.80	444.00
B130	10/22/11	NS	Conference call with Committee professionals re: Debtor's motion to value Canadian assets	0.80	296.00
B130	10/22/11	NS	Office conference with J. Teele re: Debtor's motion to value Canadian assets	0.20	74.00
B130	10/22/11	SJT	Telephone conference with committee professionals re: allocation motion	0.80	444.00
B130	10/23/11	SJT	Review APA for issues relating to allocation motion	0.40	222.00
B130	10/24/11	KAR	Review e-mail re: discovery on allocation issue	0.20	149.00

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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B130	10/24/11	KAR	Review e-mail from FTI re: Canadian valuation	0.20	149.00
B130	10/24/11	SJT	Correspondence with FTI re: allocation motion issues	0.80	444.00
B130	10/24/11	SJT	Office conferences with N. Stefanelli and T. Ingman re: objection to allocation motion	0.70	388.50
B130	10/24/11	SJT	Correspondence with counsel for First Lien Claimholders re: allocation motion	0.30	166.50
B130	10/24/11	SJT	Continued review of allocation motion and research relating to same	2.10	1,165.50
B130	10/24/11	TI	Review of allocation motions and research re: valuation methods	3.10	1,302.00
B130	10/24/11	TI	Research re: valuation	0.20	84.00
B130	10/24/11	TI	Graceway research re: valuation	1.20	504.00
B130	10/24/11	TI	Research and e-mail to J. Teele re: valuation	2.50	1,050.00
B130	10/25/11	NS	Strategy meeting re: Debtor's motion to determine value of Canadian assets	0.40	148.00
B130	10/25/11	SJT	Review case law in support of objections to allocation motion	1.20	666.00
B130	10/25/11	SJT	Review Debtors' supplement to allocation motion	0.40	222.00
B130	10/25/11	SJT	Telephone conference with FTI re: allocation motion issues and DIP financing	0.80	444.00
B130	10/25/11	TI	Valuation research	4.20	1,764.00
B130	10/26/11	SJT	Telephone conference with debtors' advisors re: allocation motion	0.40	222.00
B130	10/26/11	TI	Valuation research and drafting summary	5.20	2,184.00
B130	10/27/11	NS	Strategy meeting re: objection to allocation motion	0.40	148.00

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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B130	10/27/11	TI	Office conference with J. Teele and N. Stefanelli re: drafting objection	0.40	168.00
B130	10/27/11	TI	Drafting objection to valuation motion	7.80	3,276.00
B130	10/28/11	TI	Draft objection to allocation motion	1.50	630.00
B130	10/28/11	TI	Research and drafting objection to allocation motion	6.00	2,520.00
B130	10/29/11	TI	Drafting objection to allocation motion	2.00	840.00
B130	10/30/11	TI	Drafting objection to allocation motion	3.00	1,260.00
B130	10/30/11	TI	Drafting objection to allocation motion	6.00	2,520.00
B130	10/31/11	SJT	Telephone conference with FTI re: allocation motion and parameters for global settlement	1.00	555.00
B130	10/31/11	SJT	Review FTI's proposed exhibit to objection to allocation motion	0.40	222.00
B130	10/31/11	SJT	Revise and review first draft of objection to allocation motion	2.30	1,276.50
B130	10/31/11	SJT	Review and significantly revise objection to allocation motion	3.20	1,776.00
B130	10/31/11	TI	Revising objection to allocation motion	2.00	840.00
B130	10/31/11	TI	Revising objection to allocation motion	8.50	3,570.00
<b>Total B130 - Asset Disposition</b>				<b>97.10</b>	<b>\$44,127.50</b>

B150 Meetings of and Communication with Creditors

B150	10/11/11	NS	Draft Committee bylaws	0.40	148.00
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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B150	10/11/11	NS	Meeting with Committee	1.40	518.00
B150	10/11/11	SJT	Correspondence to the committee re: scheduling call and initial update	0.40	222.00
B150	10/11/11	SJT	Meet with committee	1.40	777.00
B150	10/12/11	KAR	Telephone call with 3M re: creditor committee representatives and members	0.40	298.00
B150	10/12/11	KAR	Review four sets of pitch materials from financial advisors to be interviewed	0.50	372.50
B150	10/12/11	NS	Draft e-mail to Committee re: financial advisor interviews	0.10	37.00
B150	10/12/11	NS	Revise Committee bylaws	0.40	148.00
B150	10/12/11	NS	Draft e-mail to Committee re: proposed bylaws	0.10	37.00
B150	10/12/11	SJT	Review and revise committee by-laws and committee contact list	0.80	444.00
B150	10/12/11	SJT	Correspondence with financial advisor candidates re: interviews	0.50	277.50
B150	10/12/11	SJT	Review presentation materials provided by financial advisor candidates for interviews with committee	0.70	388.50
B150	10/12/11	SJT	Review and revise correspondence to committee re: by-laws and Thursday's meeting	0.20	111.00
B150	10/13/11	NS	Committee conference call	1.40	518.00
B150	10/13/11	NS	Draft e-mail to Committee re: bidding procedures objection	0.10	37.00
B150	10/13/11	SJT	Telephone conference with R. Zahralddin-Aravena re: committee issues	0.30	166.50
B150	10/13/11	SJT	Telephone conference with the committee	1.70	943.50

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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B150	10/14/11	KAR	Review status update to the creditors committee re: several pending motions	0.40	298.00
B150	10/14/11	NS	Draft e-mail to Committee re: status of objections/negotiations and other open issues	0.90	333.00
B150	10/14/11	NS	Draft minutes of 10/13/11 committee conference call	0.30	111.00
B150	10/14/11	SJT	Review and revise draft correspondence to committee re: first day pleadings, sale process, by laws and general status	0.40	222.00
B150	10/14/11	SJT	Review revised version of committee by-laws	0.60	333.00
B150	10/16/11	SJT	Correspondence to committee re: status update	0.40	222.00
B150	10/17/11	NS	Draft e-mail update to Committee re: second day hearing	0.50	185.00
B150	10/18/11	SJT	Correspondence to committee re: comprehensive update of case status and summary of strategy going forward	0.80	444.00
B150	10/19/11	KAR	Conference call with 3M re: allocation	0.60	447.00
B150	10/19/11	MJL	Telephone call with N. Calandrillo of Metaphor; confer with J. Teele	0.30	225.00
B150	10/19/11	SJT	Telephone conference with committee member re: allocation issues	1.30	721.50
B150	10/20/11	EP	Participate in Committee conference call	0.80	360.00
B150	10/20/11	KAR	Conference call with creditors committee	0.80	596.00
B150	10/20/11	NS	Committee conference call	0.80	296.00
B150	10/20/11	NS	Draft e-mail to Committee re: proof of claim filing process	0.40	148.00
B150	10/20/11	SJT	Telephone conference with the committee	1.00	555.00
B150	10/20/11	SJT	Telephone conference with committee member re: bar date issues	0.30	166.50

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Code	Date	Timekeeper	Time Narrative	Hours	Amount
B150	10/21/11	KAR	Review FTI's report to the creditors committee	0.40	298.00
B150	10/24/11	SJT	Telephone conferences with committee members re: general status and strategy	1.20	666.00
B150	10/26/11	SJT	Correspondence to committee re: general case update	0.50	277.50
B150	10/27/11	NS	Committee conference call	1.00	370.00
B150	10/27/11	RJP	Teleconference with creditors committee; review of correspondence	1.50	885.00
B150	10/27/11	SJT	Telephone conference with the committee	1.00	555.00
B150	10/27/11	SJT	Review documents in preparation for committee call	0.50	277.50
B150	10/28/11	SJT	Correspondence with committee professionals re: proposed final DIP order	0.40	222.00
B150	10/28/11	SJT	Correspondence with committee members re: response to budget inquiries	0.40	222.00
B150	10/31/11	SJT	Telephone conference with second lien noteholders re: case status	0.50	277.50
<b>Total B150 - Meetings of and Communication with Creditors</b>				<b>28.80</b>	<b>\$15,157.00</b>

B160 Fee/Employment Applications

B160	10/11/11	KML	Prepare Lowenstein Sandler retention papers	2.00	360.00
B160	10/11/11	NS	Review and revise Lowenstein retention application	0.50	185.00
B160	10/18/11	NS	Review conflict results; revise retention certification accordingly	1.20	444.00
B160	10/19/11	NS	Review conflict results; office conferences with J. Teele re: same	0.60	222.00

Code	Date	Timekeeper	Time Narrative	Hours	Amount
B160	10/19/11	NS	Exchange internal e-mails re: retention papers	0.10	37.00
B160	10/20/11	NS	Continue review of conflict results and further revise retention application and certification accordingly	1.80	666.00
B160	10/20/11	SJT	Review and revise Lowenstein Sandler retention pleadings	0.70	388.50
B160	10/21/11	NS	Exchange e-mails with local counsel re: retention papers	0.10	37.00
B160	10/27/11	NS	Finalize retention papers and coordinate filing and service of same	0.40	148.00
B160	10/27/11	SJT	Review final version of retention application and certification and direct filing of same	0.40	222.00
B160	10/29/11	SJT	Correspondence with FTI re: indemnification issues	0.50	277.50
<b>Total B160 - Fee/Employment Applications</b>				<b>8.30</b>	<b>\$2,987.00</b>

B165 Employment and Retention Applications - Others

B165	10/12/11	ESC	Review, analyze and summarize debtors' motion to retain Lazard Freres & Co. LLC	1.60	784.00
B165	10/13/11	NS	Telephone conferences with C. Reckler re: Lazard retention application (x2)	0.20	74.00
B165	10/13/11	NS	Telephone conference with J. Teele re: Lazard retention application	0.20	74.00
B165	10/13/11	NS	Draft response to Lazard retention application	0.40	148.00
B165	10/14/11	SJT	Telephone conference with Debtors' counsel re: Lazard retention	0.30	166.50
B165	10/31/11	SJT	Telephone conferences with M. Benn and S. Star re: FTI indemnification issues	0.40	222.00



Code	Date	Timekeeper	Time Narrative	Hours	Amount
<b>Total B165 - Employment and Retention Applications - Others</b>				3.10	\$1,468.50

B185 Assumption/Rejection of Leases and Contracts

B185	10/31/11	NS	Review and summarize contract rejection procedures motion	0.60	222.00
<b>Total B185 - Assumption/Rejection of Leases and Contracts</b>				0.60	\$222.00

B190 Other Contested Matters (excluding assumption/rejection motions)

B190	10/12/11	NS	Telephone conference with E. Chafetz re: numerous motions and applications to be reviewed and summarized	0.20	74.00
B190	10/12/11	NS	Conference call with Debtor's counsel re: sale and other issues	0.90	333.00
B190	10/12/11	NS	Strategy meeting re: objections to sale and DIP	0.50	185.00
B190	10/12/11	NS	Telephone conference with J. Teele re: objections to sale and DIP	0.20	74.00
B190	10/13/11	ESC	Review, analyze and summarize the debtors' 503(b)(9) motion	0.70	343.00
B190	10/13/11	ESC	Revise summaries of bar date motion, 503(b)(9) bar date motion and application to retain Lazard Freres & co. llc	1.40	686.00
B190	10/13/11	KAR	Review objections limited re: Lazard and also draft DIP financing	0.80	596.00
B190	10/13/11	NS	Telephone conference with J. Teele and S. Star re: open issues	0.20	74.00
B190	10/13/11	NS	Review memo from E. Chafetz re: various motions and applications filed by the Debtors	0.30	111.00
B190	10/13/11	NS	Draft internal e-mail re: comments to draft objections	0.10	37.00
B190	10/13/11	SJT	Review and revise draft objection to bidding procedures motion and response to Lazard retention	1.70	943.50

ALL DETAILED INFORMATION IS CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL.

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B190	10/14/11	KAR	Review e-mails re: wage order and severance issues	0.40	298.00
B190	10/14/11	NS	Telephone conference with A. Bekker re: objections filed by Committee	0.20	74.00
B190	10/15/11	NS	Telephone conference with J. Teele re: hearing prep	0.10	37.00
B190	10/16/11	NS	Prepare for second day hearing	0.80	296.00
B190	10/17/11	NS	Prepare for second day hearing	6.00	2,220.00
B190	10/17/11	NS	Attend second day hearing	2.50	925.00
B190	10/22/11	SJT	Review information re: Canadian pharmaceutical regulations	0.40	222.00
B190	10/25/11	SJT	Review information and research re: drug approvals in Canada	1.10	610.50
B190	10/28/11	NS	Conference call with Committee professionals re: allocation motion	0.70	259.00
B190	10/30/11	TI	Drafting Graceway objection	1.50	630.00
<b>Total B190 - Other Contested Matters (excluding assumption/rejection motions)</b>				20.70	\$9,028.00

B200 - Operations

B230 Financing/Cash Collateral

B230	10/11/11	NS	Review DIP financing motion, proposed final order and blackline of same	1.40	518.00
B230	10/11/11	SJT	Receipt and initial review of DIP order	0.40	222.00
B230	10/12/11	KAR	Review list of DIP issues for call with Wachtel Lipton	0.20	149.00

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B230	10/12/11	NS	Revise DIP issues list	0.40	148.00
B230	10/12/11	SJT	Review proposed final DIP financing order	1.00	555.00
B230	10/12/11	SJT	Receipt and summary review of documents re: lenders' liens and claims	1.00	555.00
B230	10/13/11	KAR	Review proposed DIP order	0.30	223.50
B230	10/13/11	KAR	Conference call with S. Charles re: DIP objections	0.70	521.50
B230	10/13/11	NS	Conference call with counsel for First Lien Agent re: DIP	0.90	333.00
B230	10/13/11	NS	Drafting DIP objection	2.00	740.00
B230	10/13/11	NS	Draft e-mail to K. Rosen re: DIP issues	0.10	37.00
B230	10/13/11	SJT	Telephone conference with lenders' counsel re: DIP financing	1.20	666.00
B230	10/13/11	SJT	Review draft final DIP order and notes in preparation for call with lenders' counsel regarding DIP financing	0.60	333.00
B230	10/13/11	SJT	Review transcript of hearing re: Boston General provided by lenders' counsel as part of discussion regarding committee's objections to proposed DIP financing	0.60	333.00
B230	10/14/11	NS	Drafting DIP objection	8.00	2,960.00
B230	10/15/11	NS	Conference call with FTI re: DIP financing issues	1.00	370.00
B230	10/15/11	SJT	Draft proposed language for DIP order	1.00	555.00
B230	10/16/11	NS	Continue drafting DIP objection	6.00	2,220.00
B230	10/16/11	NS	Conference call with J. Teele re: DIP objection	0.20	74.00

ALL DETAILED INFORMATION IS CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL.

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B230	10/17/11	KAR	Conference call with FTI re: DIP financing	0.60	447.00
B230	10/17/11	KAR	Conference call with professionals and FTI re: DIP	0.60	447.00
B230	10/17/11	NS	Conference call with FTI re: DIP financing issues	0.80	296.00
B230	10/17/11	SJT	Telephone conference with committee professionals re: DIP financing	0.80	444.00
B230	10/18/11	KAR	Review e-mails with WLRK re: revisions to the DIP	0.70	521.50
B230	10/18/11	NS	Conference call with counsel for First Lien Agent	1.00	370.00
B230	10/18/11	NS	Conference call with local counsel and FTI re: open DIP issues	0.40	148.00
B230	10/18/11	SJT	Review proposed final DIP order and notes in preparation for call with lenders' counsel	0.60	333.00
B230	10/18/11	SJT	Telephone conference with lenders' counsel re: DIP financing	1.00	555.00
B230	10/18/11	SJT	Correspondence to lenders' counsel re: issues and agenda for call about DIP financing	0.80	444.00
B230	10/21/11	NS	Telephone conference with counsel for first lien agent re: open DIP issues	0.10	37.00
B230	10/21/11	SJT	Review DIP issues and proposal/counter-proposal with lenders re: same	0.60	333.00
B230	10/25/11	NS	Conference call with counsel for First Lien Agent re: DIP	0.40	148.00
B230	10/25/11	NS	Conference call with Committee professionals re: DIP issues	0.20	74.00
B230	10/25/11	SJT	Telephone conference with counsel for First Lien Claimholders re: DIP financing	0.60	333.00
B230	10/25/11	SJT	Review notes re: DIP financing in preparation for call with lenders' counsel	0.30	166.50

ALL DETAILED INFORMATION IS CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL.

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B230	10/25/11	SJT	Consideration of DIP financing proposal and counter-proposal	0.40	222.00
B230	10/27/11	SJT	Telephone conference and correspondence with lenders' counsel re: DIP financing	0.60	333.00
B230	10/28/11	SJT	Review revised proposed final DIP order	2.20	1,221.00
<b>Total B230 - Financing/Cash Collateral</b>				<b>39.70</b>	<b>\$18,386.00</b>

B300 - Claims and Plan

B310 Claims Administration and Objections

B310	10/12/11	ESC	Review, analyze and summarize debtors' bar date motion	0.90	441.00
B310	10/31/11	NS	Exchange internal e-mails re: proof of claim bar date	0.10	37.00
<b>Total B310 - Claims Administration and Objections</b>				<b>1.00</b>	<b>\$478.00</b>

B400 - Bankruptcy-Related Advice

B410 General Bankruptcy Advice/Opinions

B410	10/12/11	NS	Review first day affidavit, interim orders on various first day motions and second day motions	4.00	1,480.00
B410	10/12/11	SJT	Review first day affidavit and all first day motions and orders	4.50	2,497.50
B410	10/13/11	SJT	Review FTI's document request	0.40	222.00
B410	10/13/11	SJT	Telephone conference with S. Star re: work plan and general status	0.40	222.00
B410	10/14/11	KAR	Review FTI's initial information request	0.30	223.50

<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B410	10/14/11	KAR	Telephone conference with B. Nathan re: McKesson joining the creditors committee	0.20	149.00
B410	10/14/11	KAR	Telephone conference with S. Star re: focus of his investigation	0.40	298.00
B410	10/14/11	KAR	Review e-mail re: non disclosure agreement and turn over of information	0.20	149.00
B410	10/14/11	SJT	Multiple e-mails and consideration given to issue of admitting creditor to committee in ex officio capacity	2.30	1,276.50
B410	10/14/11	SJT	Correspondence with FTI Consulting and Elliott Greanleaf re: confidentiality agreement	0.40	222.00
B410	10/14/11	SJT	Review correspondence from US Trustee r: severance issues in connection with wage motion	0.30	166.50
B410	10/14/11	SJT	Correspondence with Elliott Greenleaf re: severance issues	0.30	166.50
B410	10/15/11	SJT	Telephone conference with FTI Consulting re: work plan and general status	1.00	555.00
B410	10/15/11	SJT	Telephone conference with J. Athanas re: confidentiality agreement and status of orders for second day hearing	0.30	166.50
B410	10/15/11	SJT	Review and revise confidentiality agreement and correspond with Debtors' counsel re: same	0.60	333.00
B410	10/15/11	SJT	Review proposed final orders for wages motion, utilities motion, 503(b)(9) motion, customer program motion and bidding procedures motion	1.50	832.50
B410	10/16/11	SJT	Review pleadings and orders and prepare notes for tomorrow's hearing	2.70	1,498.50
B410	10/17/11	SJT	Review pleadings, notes and revised proposed orders in preparation for today's hearing	2.10	1,165.50
B410	10/17/11	SJT	Telephone conference with US Trustee re: severance issues	0.40	222.00
B410	10/17/11	SJT	Appear in court for second day hearings	2.00	1,110.00
B410	10/18/11	SJT	Attention to committee confidentiality agreement with debtors	0.60	333.00

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<b>Code</b>	<b>Date</b>	<b>Timekeeper</b>	<b>Time Narrative</b>	<b>Hours</b>	<b>Amount</b>
B410	10/19/11	KAR	Review initial information requests	0.50	372.50
B410	10/19/11	SJT	Correspondence with counsel for debtors and lenders re: Friday's hearing	0.30	166.50
B410	10/24/11	KAR	Review FTI's information request to debtors	0.30	223.50
B410	10/26/11	SJT	Review information re: lien review	0.50	277.50
B410	10/26/11	SJT	Correspondence with debtors' counsel re: document request	0.40	222.00
B410	10/26/11	SJT	Receipt and review of IPL sale agreement	0.60	333.00
B410	10/26/11	SJT	Telephone conferences with FTI re: allocation, DIP financing and case resolution issues	1.00	555.00
B410	10/27/11	SJT	Review research materials re: Health Canada procedures and valuation issues	3.10	1,720.50
B410	10/28/11	RJP	Review of IP status and lien recordations	0.40	236.00
<b>Total B410 - General Bankruptcy Advice/Opinions</b>				<b>32.00</b>	<b>\$17,395.00</b>

**Timekeeper Summary (by Task):**

<b>Task</b>	<b>Task Description</b>	<b>Hours</b>	<b>Fees</b>
B110	Case Administration	14.30	\$3,986.50
B120A	Investigation of Prepetition Lenders	18.20	5,145.00
B130	Asset Disposition	97.10	44,127.50
B150	Meetings of and Communication with Creditors	28.80	15,157.00
B160	Fee/Employment Applications	8.30	2,987.00
B165	Employment and Retention Applications - Others	3.10	1,468.50
B185	Assumption/Rejection of Leases and Contracts	0.60	222.00
B190	Other Contested Matters (excluding assumption/rejection motions)	20.70	9,028.00
B230	Financing/Cash Collateral	39.70	18,386.00
B310	Claims Administration and Objections	1.00	478.00
B410	General Bankruptcy Advice/Opinions	32.00	17,395.00
	<b>Total</b>	<b>263.80</b>	<b>\$ 118,380.50</b>



# **Exhibit “C”**

**Actual and necessary disbursements incurred by Lowenstein Sandler PC**

**II. Summary of Disbursement Charges**

Computerized legal research	\$3,138.51
Telecommunications	346.83
Travel	210.54
Photocopies 75 pages at \$0.10 per page	7.50
<b>Total Disbursements</b>	<b>\$3,703.38</b>

The above charges are based upon time and expense records available on or about the date of the attached letter. Such records are believed in good faith to be accurate and substantially up to date, but there may be fees and expenses that have not been processed as of such date which Lowenstein Sandler PC may submit in the future. Lowenstein Sandler PC reserves the right to amend this monthly statement at a later date.

**DISBURSEMENT DETAIL:**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
10/09/11	Other Telecommunications Charges VENDOR: Rosen, Kenneth A.; INVOICE#: 110111; DATE: 11/1/2011 cell phone calls 07/10-10/09/11	\$20.94
10/10/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	3.99
10/13/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	20.41
10/14/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	1.57
10/15/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	16.01
10/15/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	24.11
10/17/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	5.04
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	5.11
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	1.81
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	0.62
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	7.22
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	4.04
10/19/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	1.41
10/20/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	6.77
10/20/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	18.40
10/22/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	1.29
10/22/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	13.97
10/22/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	13.94
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011	9.70

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	ReadyConference - Toll Free - CAN	
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	3.85
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	5.18
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	4.32
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	39.50
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	26.44
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	0.19
10/25/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	2.43
10/26/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	2.10
10/26/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	11.73
10/26/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	0.86
10/26/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	1.29
10/27/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - CAN	13.09
10/27/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	22.37
10/27/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	4.71
10/27/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	8.50
10/28/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	0.14
10/28/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	6.36
10/31/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	12.26
10/31/11	Long distance telephone - External VENDOR: Premiere Global Services INVOICE#: 09695850 DATE: 10/31/2011 ReadyConference - Toll Free - USA	5.16
10/17/11	Local Travel VENDOR: Teele, S. Jason; INVOICE#: 110311; DATE: 11/3/2011 Omnibus hearing - From: office /	210.54

ALL DETAILED INFORMATION IS CONSIDERED TO BE PRIVILEGED AND CONFIDENTIAL.

To: Wilmington DE / Travel Date: 10/17/11

10/10/11	Computerized legal research: Westlaw: User Name: TEELE,S JASON / Duration of Search: 00:00	\$159.60
10/24/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	1,370.71
10/25/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	239.69
10/25/11	Computerized legal research: Lexis: User: TAGGART, KATHERINE; Service: COLLIER SERVICE; Charge Type: COMPUTER CONECTN TIME-00:03:06; DOCUMENT PRINTING-16.00; TIER 6-00:03:05;;	137.89
10/26/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	385.46
10/28/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	83.36
10/30/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	54.86
10/31/11	Computerized legal research: Westlaw: User Name: INGMAN,TATIANA / Duration of Search: 00:00	706.94
	Internal photocopies: 75 pages at \$0.10 per page	7.50
	Total Disbursements	<hr/> <u>\$3,703.38</u>

# **Exhibit “D”**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

In re:

GRACEWAY PHARMACEUTICALS, LLC,  
et al.,

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

Jointly Administered

**CERTIFICATION OF COUNSEL**

S. Jason Teele, Esq., pursuant to 28 U.S.C. § 1746, states as follows:

1. I am a member of the law firm of Lowenstein Sandler PC, counsel to the Official Committee of Unsecured Creditors in the above-captioned matter. I submit this Certification in connection with Lowenstein Sandler PC's first monthly application for allowance of compensation and reimbursement of expenses for the period of October 11, 2011 through October 31, 2011.

2. In accordance with 18 U.S.C. § 155 and the Rules of this Court, neither I nor any attorney of my firm has entered into any agreement, written or oral, express or implied, with the Debtors, any creditor, or any other party in interest, or any attorney of such person, for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the assets of the Debtors.

3. In accordance with section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm or any attorney thereof, on the one hand, and any other person, on the other hand, for the division of such compensation as my firm may receive from the Court herein, nor will any division of fees prohibited by section 504 of the Bankruptcy Code be made by me, or any partner or associate of my firm.

4. I have reviewed the requirements of Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware and certify to the best of my knowledge and belief that this application complies with Local Rule 2016-2.

I certify, under penalty of perjury, that the foregoing statements made by me are true to the best of my knowledge, information, and belief.

Dated: December 1, 2011

/s/ S. Jason Teele  
S. Jason Teele, Esq.