

**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

Hearing Date: March 1, 2012 at 11:00 a.m. (ET)

Objection Deadline: February 15, 2012 at 4:00 p.m. (ET)

NOTICE OF APPLICATION

TO: (A) THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (B) FINANCING COUNSEL TO THE ADMINISTRATIVE AGENT FOR THE LENDERS UNDER THE DEBTORS' FIRST LIEN FACILITY; (C) SPECIAL RESTRUCTURING AND BANKRUPTCY COUNSEL TO THE ADMINISTRATIVE AGENT FOR THE LENDERS UNDER THE DEBTORS' FIRST LIEN FACILITY; (D) COUNSEL TO THE ADMINISTRATIVE AGENT FOR THE LENDERS UNDER THE DEBTORS' SECOND LIEN FACILITY; (E) THE ADMINISTRATIVE AGENT FOR THE LENDERS UNDER THE DEBTORS' PREPETITION UNSECURED MEZZANINE CREDIT FACILITY; (F) COUNSEL TO THE CREDITORS' COMMITTEE; (G) THE CREDITORS LISTED ON THE DEBTORS' CONSOLIDATED LIST OF 30 LARGEST UNSECURED CREDITORS, AS FILED WITH THE DEBTORS' CHAPTER 11 PETITIONS; (H) THE FOOD AND DRUG ADMINISTRATION; (I) THE INTERNAL REVENUE SERVICE; (J) THE U.S. PUBLIC HEALTH SERVICE; (K) THE CENTERS FOR MEDICARE AND MEDICAID SERVICES; (L) COUNSEL TO, RECEIVER FOR, AND COUNSEL TO THE RECEIVER FOR GRACEWAY CANADA COMPANY; AND (M) ALL PARTIES REQUESTING NOTICE PURSUANT TO BANKRUPTCY RULE 2002

PLEASE TAKE NOTICE that the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") have filed the attached **Debtors' First Supplemental Application for an Order Authorizing Debtors to Expand the Scope of Retention and Employment of PricewaterhouseCoopers LLP to Include Tax Compliance Services *Nunc Pro Tunc* to January 16, 2012** (the "Application") with the United States Bankruptcy Court for the District of Delaware.

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), Case No. 11-13037 (PJW); Graceway Holdings, LLC, a Delaware limited liability company (2502), Case No. 11-13038 (PJW); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385), Case No. 11-13036 (PJW); Chester Valley Holdings, LLC, a Delaware limited liability company (9457), Case No. 11-13039 (PJW); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713), Case No. 11-13041 (PJW); Graceway Canada Holdings, Inc., a Delaware corporation (6663), Case No. 11-13042 (PJW); and Graceway International, Inc., a Delaware corporation (2399), Case No. 11-13043 (PJW). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy). On October 4, 2011, Graceway Canada Company filed an application in the Ontario Superior Court of Justice (Commercial List) pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C. 43.

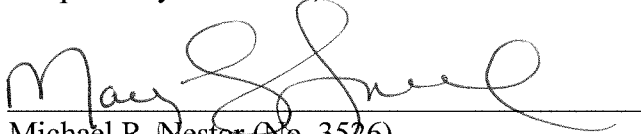
PLEASE TAKE FURTHER NOTICE that objections to the Application, if any, must be filed on or before **February 15, 2012 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, you must also serve a copy of the response upon the undersigned counsel to the Debtors so that the response is received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE APPLICATION WILL BE HELD MARCH 1, 2012 AT 11:00 A.M. (ET), BEFORE THE HONORABLE PETER J. WALSH, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6TH FLOOR, COURTROOM NO. 2, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THIS COURT MAY GRANT THE RELIEF REQUESTED BY THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: February 1, 2012
Wilmington, Delaware

Respectfully Submitted,



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