

Exhibit A
Proposed Order

**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

Related Docket No. _____

**ORDER AUTHORIZING THE DEBTORS TO ENTER INTO
A SETTLEMENT AGREEMENT WITH GTCR**

Upon consideration of the motion (the “**Motion**”)² the above-captioned debtors and debtors in possession in these chapter 11 cases (collectively, the “**Debtors**”), seeking entry of an order pursuant to Sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “**Bankruptcy Code**”), and Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), to enter a Settlement Agreement by and among the Debtors and GTCR; and the Court being satisfied based on the representations made in the Motion and the Settlement Agreement; and it appearing that the Settlement Agreement and the relief requested in the Motion are in the best interests of the Debtors, their creditors and estates; and it appearing that proper and adequate notice has been given and that no other or

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 400, 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.

² Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion or the Settlement Agreement, as applicable.

further notice is required; and upon the record herein; and after due deliberation thereon; and sufficient cause appearing therefore; it is hereby ORDERED that:

1. The Motion is GRANTED.
2. The Settlement Agreement, attached as Exhibit B to the Motion, is approved pursuant to Sections 105 and 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019(a).
3. The Debtors are authorized and directed to perform their obligations under the Settlement Agreement.
4. Effective on the Settlement Effective Date, each of the Debtors and each of their respective current and future estates, successors, assigns and representatives (including, for the avoidance of doubt, any representative appointed pursuant to Section 1123(b)(3)(B) of the Bankruptcy Code or otherwise) hereby (i) conclusively, absolutely, unconditionally, irrevocably and forever remises, acquits, waives, releases and discharges each of the Releasees (as defined below) from any and all Released Causes of Action (as defined below), and (ii) covenants and agrees never to institute or cause to be instituted any suit, investigation or other form of action or proceeding of any kind or nature whatsoever against any of the Releasees based upon the Released Causes of Action.

- (a) For purposes of this Order, the term “Releasees” means, collectively, (a) each GTCR Entity and its respective current or former officers, directors, advisors, shareholders, members and/or enrollees and employees (and each of the foregoing entity’s or person’s respective successors, assigns and representatives) and (b) any other person or entity not otherwise identified in the preceding sub-clause (a) that directly or indirectly has received or in the future may receive any portion of the Distributions (other than any person that is an officer or director of the Debtors as of the Settlement Effective Date, in such person’s capacity as an officer or director of the Debtors).
- (b) For purposes of this Order, the term “Released Causes of Action” means any and all claims (including, but not

limited to any “claim” as defined in Section 101(5) of the Bankruptcy Code), demands, rights, suits, remedies, indebtedness, agreements, promises, Causes of Action, obligations, damages or liabilities of any nature whatsoever, in law, in equity or otherwise, whether or not known, foreseen or unforeseen, existing or hereafter arising, suspected or claimed, that the Releasors ever had, claimed to have, now have, may have, claim to have or may claim to have in the future against the Releasees, or any of them, by reason of any matter, cause, thing, act, transaction, agreement, event or omission of the Releasees, or any of them, including, without limitation, any and all of the Avoidance Actions relating to or arising from any of the Distributions, other than claims or liabilities arising out of or relating to any act or omission of a Releasee that constitutes fraud or willful misconduct as determined by final order of a court of competent jurisdiction; provided, however, that the foregoing shall not include any rights of the Releasors to enforce obligations of the Releasees under the Settlement Agreement, this Order or any other order of the Bankruptcy Court, including, without limitation, the Confirmation Order, the Plan and all contracts, instruments, releases and other agreements delivered in connection therewith.

5. No later than one (1) business day after the Settlement Effective Date, GTCR shall (a) pay \$4,500,000.00 directly to the First Lien Facility Agent for the benefit of the First Lien Claimholders; and (b) pay \$1,500,000.00 directly to the Debtors’ estates which amount shall constitute “Other Assets” under the Plan.

6. Within five (5) business days following the Settlement Effective Date and without further order of this Court, GTCR shall file a notice of withdrawal (the “**Notice of Withdrawal**”) of all proofs of claim filed in the Chapter 11 Cases on behalf of any GTCR Entity or its respective current or former officers, directors, advisors, shareholders, members, enrollees or employees (the “**GTCR Proofs of Claim**”). GTCR shall not file any further proofs of claim in the Chapter 11 Cases.

7. Once the Notice of Withdrawal has been filed, the Debtors' claims and noticing agent shall be authorized to mark the GTCR Proofs of Claim as withdrawn on the official claims register in these Chapter 11 Cases.

8. This Order and the Settlement Agreement shall be binding upon the Debtors and GTCR, any trustees appointed in these proceedings, any trustees appointed in any subsequent proceedings under the Bankruptcy Code relating to the Debtors, and all other parties-in-interest.

9. The Debtors are authorized and empowered to take all steps necessary and appropriate to carry out and otherwise effectuate the terms conditions and provisions of the Settlement Agreement.

10. This Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: _____, 2012
Wilmington, Delaware

Peter J. Walsh
United States Bankruptcy Judge