

Exhibit C

Form of Settlement Agreement Side Letter

February 13, 2012

Re: Settlement Agreement Side Letter

Ladies and Gentlemen:

This letter (this "**Side Letter**")¹ is delivered as of the date hereof to confirm certain agreements by and among (i) First Lien Facility Lenders holding, as of February 13, 2012, in the aggregate, the majority of claims under the First Lien Credit Agreement, in their capacity as lenders and First Lien Claimholders (each a "**Consenting First Lien Facility Lender**") and (ii) GTCR Golder Rauner, L.L.C. GTCR Co-Invest II, L.P., GTCR Co-Invest III, L.P., GTCR Fund VIII, L.P., GTCR Fund IX/A, L.P., Fund VIII/B Graceway Splitter, L.P., Fund IX/B Graceway Splitter, L.P., and GTCR Golder Rauner II, L.L.C. (collectively, and including any heir, affiliate, successor, assign, agent, and representative thereof, "**GTCR**"), in respect of, and in consideration for, GTCR's entry into that certain Settlement Agreement, dated February 10, 2012 (the "**Settlement Agreement**"), by and among GTCR and the Debtors.

Among other things, the Settlement Agreement provides that within one business day after the Settlement Effective Date (as defined in the Settlement Agreement), 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 (the "**Settlement Amount**"). Delivery of this Side Letter is a condition precedent to the effectiveness of the Settlement Agreement.

In consideration of GTCR's agreement to pay the Settlement Amount and perform all other obligations set forth in the Settlement Agreement, each Consenting First Lien Facility Lender hereby agrees as follows:

1. On and from the date of execution of this Side Letter, no Consenting First Lien Facility Lender shall (a) pursue, or support any other person's or entity's pursuit of (whether directly or indirectly), any objection to the release provisions, exculpation provisions, or injunction provisions contained in the Plan or (b) direct, or support any other person's or entity's direction of (whether directly or indirectly), the First Lien Facility Agent to object to the release provisions, exculpation provisions, or injunction provisions contained in the Plan.

2. On and from the Settlement Effective Date (as defined in the Settlement Agreement), no Consenting First Lien Facility Lender shall (a) pursue, or support any other person's or entity's pursuit of (whether directly or indirectly), any Released Causes of Action (as defined in the Settlement Agreement) or (b) direct, or support any other person's or entity's direction of (whether directly or indirectly), the First Lien Facility Agent to pursue any Released Causes of Action (as defined in the Settlement Agreement).

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the *Joint Plan of Liquidation of Graceway Pharmaceutical, LLC, et al.* [Docket No. 483] (the "**Plan**").

3. Each Consenting First Lien Facility Lender agrees that this Side Letter is enforceable by each of the Releasees (as defined in the Settlement Agreement) and shall be binding upon each Consenting First Lien Facility Lender's heirs, affiliates, successors, assigns, agents and representatives.

This Side Letter may be executed in counterparts. Each counterpart shall be deemed an original. All counterparts shall constitute a single agreement. A facsimile of a signed copy of this Side Letter shall serve as an original copy for all purposes. This Side Letter shall become effective as of the last date on which GTCR has received executed signatures from First Lien Facility Lenders holding aggregate claims in the amount and percentage indicated in the first paragraph hereof.

[Remainder of Page Intentionally Left Blank - Signature Pages Follow]

[FIRST LIEN FACILITY LENDER]

By: _____

Name: _____

Title: _____

Address: _____

GTCR GOLDBER RAUNER, L.L.C.

By: _____

Name: _____

Title: _____

Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

GTCR CO-INVEST II, L.P.

By: GTCR Golder Rauner II, L.L.C.

Its: General Partner

By: _____

Name: _____

Title: _____

Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

GTCR CO-INVEST III, L.P.

By: GTCR Golder Rauner II, L.L.C.

Its: General Partner

By: _____

Name: _____

Title: _____

Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

GTCR FUND VIII, L.P.

By: GTCR Partners VIII, L.P.
Its: General Partner

By: GTCR Golder Rauner II, L.L.C.
Its: General Partner

By: _____
Name: _____
Title: _____
Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

GTCR FUND IX/A, L.P

By: GTCR Partners IX, L.P.
Its: General Partner

By: GTCR Golder Rauner II, L.L.C.
Its: General Partner

By: _____
Name: _____
Title: _____
Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

FUND VIII/B GRACEWAY SPLITTER, L.P.

By: GTCR Partners VIII, L.P.
Its: General Partner

By: GTCR Golder Rauner II, L.L.C.
Its: General Partner

By: _____
Name: _____
Title: _____
Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

FUND IX/B GRACEWAY SPLITTER, L.P.

By: GTCR Partners IX, L.P.

Its: General Partner

By: GTCR Golder Rauner II, L.L.C.

Its: General Partner

By: _____

Name: _____

Title: _____

Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654

GOLDER RAUNER II, L.L.C.

By: _____

Name: _____

Title: _____

Notice Address: 300 North LaSalle Street
Suite 5600
Chicago, Illinois 60654