

**EXHIBIT I**

**Proposed Order**

**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

Docket Ref. No. \_\_\_\_\_

**ORDER SUSTAINING DEBTORS' SECOND OMNIBUS (NON-SUBSTANTIVE)  
OBJECTION TO CLAIMS PURSUANT TO § 502(b) OF THE BANKRUPTCY  
CODE, BANKRUPTCY RULE 3007, AND LOCAL RULE 3007-1**

Upon the Debtors' Second Omnibus (Non-Substantive) Objection to Claims Pursuant to § 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007, and Local Rule 3007-1 (the "**Objection**"),<sup>2</sup> and it appearing that notice of the Objection was good and sufficient upon the particular circumstances and that no other or further notice need be given; and the Court having considered the Objection, the claims listed on Exhibits A through C attached hereto, and any responses thereto; and upon the record herein; and after due deliberation thereon and good and sufficient cause appearing therefore; it is hereby ORDERED that:

1. The Objection is SUSTAINED.
2. The Amended and Superseded Claims listed on Exhibit A in the column

titled "Claims to be Disallowed" are disallowed.

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<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), 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.

<sup>2</sup> Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Objection.

3. The Duplicate Claims listed on Exhibit B in the column titled “Claims to Be Disallowed” are disallowed.

4. The No Supporting Documentation Claims listed on Exhibit C are disallowed.

5. The Debtors’ objection to each Disputed Claim addressed in the Objection constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate Order with respect to each claim. Any stay of this Order pending appeal by any of the claimants subject to this Order shall only apply to the contested matter that involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

6. The Debtors shall retain and shall have the right to object in the future to any of the Proofs of Claims listed on Exhibits A through C hereto on any additional grounds. Additionally, the Debtors shall retain and shall have the right to seek to amend, modify and/or supplement this Order as may be necessary.

7. In addition, the Debtors’ rights are reserved to file future objections to claims asserted in Proofs of Claims that have been or may subsequently be filed in these cases, or claims that may be listed on the Debtors’ Schedules and Statements, on the same grounds as those set forth in the Objection or any other appropriate grounds that bankruptcy and non-bankruptcy law permits.

8. 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 this Order.

9. The Debtors' Voting and Claims Agent is authorized to cause the claims register to be amended to reflect the terms of this Order.

10. This Court shall retain jurisdiction over the Debtors and the claimants whose Disputed Claims are subject to the Objection with respect to any matters related to or arising from the Objection or the implementation of this Order.

Dated: \_\_\_\_\_, 2012

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PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT A**

**Amended and Superseded Claims**

GRACEWAY PHARMACEUTICALS, LLC

OMNIBUS OBJECTION 2: EXHIBIT A – AMENDED AND SUPERSEDED CLAIMS

CLAIMS TO BE DISALLOWED				REMAINING CLAIMS						
NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	REASON FOR DISALLOWANCE
1 CARDINAL HEALTH ATTN: DEBRA WILLET 7000 CARDINAL PL DUBLIN, OH 43017	12/22/2011	11-13036 (PJW)	144	\$1,530,202.45*	CARDINAL HEALTH ATTN: DEBRA WILLET 7000 CARDINAL PL DUBLIN, OH 43017	01/30/2012	11-13036 (PJW)	214	\$5,683,557.36*	Amended by claim listed in "remaining claim(s)" column
2 HUMANA INC C/O GREGORY O KADEN GOULSTON & STORRS PC 400 ATLANTIC AVE BOSTON, MA 02110-3333	12/22/2011	11-13036 (PJW)	143	\$59,504.15*	HUMANA INC C/O GREGORY O KADEN GOULSTON & STORRS PC 400 ATLANTIC AVE BOSTON, MA 02110-3333	01/27/2012	11-13036 (PJW)	212	\$93,847.94*	Amended by claim listed in "remaining claim(s)" column
3 PENNSYLVANIA DEPARTMENT OF REVENUE BANKRUPTCY DIVISION PO BOX 280946 HARRISBURG, PA 17128-0946	12/13/2011	11-13039 (PJW)	99	\$24,532.66*	PENNSYLVANIA DEPARTMENT OF REVENUE BANKRUPTCY DIVISION PO BOX 280946 HARRISBURG, PA 17128-0946	01/13/2012	11-13039 (PJW)	206	\$15,008.66	Amended by claim listed in "remaining claim(s)" column

\* - Indicates claim contains unliquidated and/or undetermined amounts

GRACEWAY PHARMACEUTICALS, LLC

OMNIBUS OBJECTION 2: EXHIBIT A - AMENDED AND SUPERSEDED CLAIMS

CLAIMS TO BE DISALLOWED				REMAINING CLAIMS							
NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	REASON FOR DISALLOWANCE	
4 SUPERVALU INC LEGAL DEPARTMENT 11840 VALLEY VIEW ROAD EDEN PRAIRIE, MN 55344-3691	12/29/2011	11-13036 (PJW)	165	\$142,371.12*	SUPERVALU INC LEGAL DEPARTMENT 11840 VALLEY VIEW RD EDEN PRAIRIE, MN 55344-3691	01/25/2012	11-13036 (PJW)	207	\$68,245.45*	Amended by claim listed in "remaining claim(s)" column	
				TOTAL					TOTAL		
									\$1,756,610.38		

\* - Indicates claim contains unliquidated and/or undetermined amounts

**EXHIBIT B**

**Duplicate Claims**



GRACEWAY PHARMACEUTICALS, LLC

OMNIBUS OBJECTION 2: EXHIBIT B - DUPLICATE CLAIMS

CLAIMS TO BE DISALLOWED				REMAINING CLAIMS						
NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	NAME	DATE FILED	CASE NUMBER	CLAIM #	TOTAL CLAIM DOLLARS	REASON FOR DISALLOWANCE
1 BURLINGTON DRUG COMPANY ATTN: PRESIDENT OR GENERAL COUNSEL 91 CATAMOUNT DR MILTON, VT 05468	11/28/2011	11-13036 (PJW)	61	\$2,431.17	BURLINGTON DRUG COMPANY ATTN: PRESIDENT OR GENERAL COUNSEL 91 CATAMOUNT DR MILTON, VT 05468	11/28/2011	11-13036 (PJW)	66	\$2,431.17	Duplicative of the claim listed in "remaining claim" column
2 CARDINAL HEALTH ATTN: DEBRA WILLET 7000 CARDINAL PL DUBLIN, OH 43017	01/30/2012	11-13036 (PJW)	215	\$5,683,557.36*	CARDINAL HEALTH ATTN: DEBRA WILLET 7000 CARDINAL PL DUBLIN, OH 43017	01/30/2012	11-13036 (PJW)	214	\$5,683,557.36*	Duplicative of the claim listed in "remaining claim" column
3 GLASHOFER, MARC MD 604 EAST PARK AVE LONG BEACH, NY 11561	01/03/2012	11-13036 (PJW)	194 ^	\$1,000.00	GLASHOFER, MARC MD 604 EAST PARK AVE LONG BEACH, NY 11561	11/28/2011	11-13036 (PJW)	67	\$1,000.00	Duplicative of the claim listed in "remaining claim" column
				TOTAL					\$5,686,988.53	

\* - Indicates claim contains unliquidated and/or undetermined amounts  
 ^ - Claim number 194 is also listed on Omnibus Objection 3: Exhibit B - No Liability Claims

**EXHIBIT C**

**No Supporting Documentation Claims**

GRACEWAY PHARMACEUTICALS, LLC

OMNIBUS OBJECTION 2: EXHIBIT C – NO SUPPORTING DOCUMENTATION CLAIMS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS	REASON FOR PROPOSED DISALLOWANCE
1	MCHUGH, JOHN MD 700 S TUSTIN ORANGE, CA 92866	11-13036 (P/JW)	Graceway Pharmaceuticals, LLC	11/14/2011	18	\$1,500.00	Claim contains no supporting documentation.
2	MI DEPT OF COMM HEALTH MED SVCS ADMIN ATTN: DIRECTOR OR GENERAL COUNSEL DIR BUR OF MEDICAID PGM OFS & QUAL ASSU 400 S PINE STREET LANSING, MI 48933	11-13036 (P/JW)	Graceway Pharmaceuticals, LLC	11/21/2011	55	\$8,979.67	Claim contains no supporting documentation.
3	MONTANA DPHHS PO BOX 202951 HELENA, MT 59620-2951	11-13036 (P/JW)	Graceway Pharmaceuticals, LLC	12/22/2011	140	\$1,354.53	Claim contains no supporting documentation.
4	NYBERG, ELIAS 25 BROOKMILL RD STOW, MA 01775	11-13036 (P/JW)	Graceway Pharmaceuticals, LLC	11/21/2011	51	\$2,900.00	Claim contains no supporting documentation.
TOTAL						\$14,734.20	