

EXHIBIT C

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 (MFW)

Jointly Administered

Related Doc. No. ____

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF
YOUNG CONAWAY STARGATT & TAYLOR, LLP AS ATTORNEYS
FOR THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE**

("YCST Retention Order")

Upon consideration of the Application² of the Debtors for entry of an order authorizing the Debtors to retain and employ the law firm of Young Conaway Stargatt & Taylor, LLP ("Young Conaway") as their bankruptcy attorneys, pursuant to Section 327(a) of the Bankruptcy Code and Rule 2014 of the Bankruptcy Rules; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Application is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Application and opportunity for objection having been given,

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 (MFW); Graceway Holdings, LLC, a Delaware limited liability company (2502), Case No. 11-13038 (MFW); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385), Case No. 11-13036 (MFW); Chester Valley Holdings, LLC, a Delaware limited liability company (9457), Case No. 11-13039 (MFW); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713), Case No. 11-13041 (MFW); Graceway Canada Holdings, Inc., a Delaware corporation (6663), Case No. 11-13042 (MFW); and Graceway International, Inc., a Delaware corporation (2399), Case No. 11-13043 (MFW). The mailing address for Graceway Pharmaceuticals, LLC is 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620 (Attn: John Bellamy).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

with no objections or requests for hearing having been filed, or all objections having been overruled, as the case may be; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefore, it is hereby ORDERED, ADJUDGED, AND DECREED that:

1. The Application is GRANTED.
2. In accordance with Section 327(a) of the Bankruptcy Code, the Debtors, as debtors and debtors-in-possession, are hereby authorized to retain and employ the firm of Young Conaway as their bankruptcy counsel on the terms set forth in the Application, the Nestor Affidavit and the Engagement Agreement, effective, *nunc pro tunc*, to the Petition Date.
3. Young Conaway shall be entitled to allowance of compensation and reimbursement of expenses, upon the filing and approval of interim and final applications pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of this Court and such other orders as this Court may direct.
4. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor-in-possession financing facility, or any order regarding the use of cash collateral.
5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

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

Dated: October __, 2011
Wilmington, Delaware

Mary F. Walrath
United States Bankruptcy Judge