

**EXHIBIT 2**

**Notice of Non-Voting Status: Disputed Claims**

**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

**NOTICE OF NON-VOTING STATUS TO HOLDERS OF CLAIMS OR INTERESTS  
FOR WHICH AN OBJECTION HAS BEEN FILED BY THE DEBTORS**

**PLEASE TAKE NOTICE THAT:**

On February 28, 2012, the above-captioned debtors and debtors-in-possession (the “**Debtors**”) filed their First Amended Joint Plan of Liquidation of Graceway Pharmaceuticals, LLC, et al. [Docket No. 551] (the “**Plan**”). On March 1, 2012, the Debtors filed their Disclosure Statement for the Plan [Docket No. 566] (the “**Disclosure Statement**”).<sup>2</sup> On March 1, 2012, the Bankruptcy Court entered an order (i) approving the Disclosure Statement as containing “adequate information” pursuant to Section 1125 of the Bankruptcy Code, (ii) establishing the Voting Record Date, Voting Deadline and other dates, (iii) approving procedures for soliciting, receiving and tabulating votes on the Plan and for filing objections to the Plan and (iv) approving the manner and forms of certain notices [Docket No. \_\_\_\_].

You are receiving this notice because you are the holder of an Interest or a Claim in a Voting Class that has filed a proof of claim, which is subject, in whole or in part, to an objection filed by the Debtors. As a result, you are not entitled to vote on the Plan for any purpose and you have not been sent a Solicitation Package<sup>3</sup> or Ballot. If you disagree with the Debtors’ classification or status of your Claim or Interest, then you **MUST** file with the Bankruptcy Court and serve upon

<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> Capitalized terms used but not otherwise defined herein will have the meanings set forth in the Plan, Disclosure Statement, and Motion of the Debtors for Entry of an Order (a) Approving the Disclosure Statement, (b) Establishing the Voting Record Date, Voting Deadline and Other dates, (c) Approving Procedures for Soliciting, Receiving and Tabulating Votes on the Plan and for Filing Objections to the Plan and (d) Approving the Manner and Forms of Notices and Other Related Documents [Docket No. 485] (the “**Disclosure Statement Motion**”), filed on January 25, 2012), as applicable.

<sup>3</sup> The Solicitation Package (as defined in the Disclosure Statement Motion) includes, among other things, a copy of the Plan and Disclosure Statement.

the Notice Parties (defined and listed below), on or before 4:00 p.m. prevailing Eastern Time on March 20, 2012 (the “**Rule 3018(a) Motion Deadline**”), a motion requesting temporary allowance of your Claim or Interest solely for voting purposes in accordance with Bankruptcy Rule 3018 (such motion, the “**Rule 3018(a) Motion**”). No later than four (4) days after the filing and service of such Rule 3018(a) Motion, the Voting and Claims Agent (defined below) will send you a Solicitation Package, including the appropriate Ballot, and a pre-addressed, postage pre-paid envelope, which you must then return your Ballot according to the instructions attached thereto so it is **actually received** by the Voting and Claims Agent on or before 4:00 p.m. prevailing Eastern Time on April 3, 2012 (the “**Voting Deadline**”). Please be advised that the Debtors reserve all of their rights and objections regarding any and all Rule 3018(a) Motions that may be filed with the Bankruptcy Court and that the distribution of a Solicitation Package is not and shall not constitute a waiver or release of such rights and objections. Any party timely filing and serving a Rule 3018(a) Motion shall be provided a Ballot and be permitted to cast a provisional vote to accept or reject the Plan. If, and to the extent that, the Debtors and such party are unable to resolve the issues raised by the Rule 3018(a) Motion prior to the Voting Deadline, then at the Confirmation Hearing this Court shall determine whether the provisional Ballot should be counted as a vote on the Plan.

The Confirmation Hearing to consider confirmation of the Plan will commence at **2:00 p.m. prevailing Eastern Time on April 11, 2012**, before the Honorable Peter J. Walsh, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 Market Street, 6th Floor, Wilmington, Delaware 19801. The Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on such parties as the Bankruptcy Court may order. Moreover, the Plan may be modified or amended, if necessary, pursuant to Section 1127 of the Bankruptcy Code, prior to, during or as a result of the Confirmation Hearing, without further notice to parties in interest.

The deadline for filing objections to the Plan is **April 3, 2012 at 4:00 p.m. prevailing Eastern Time** (the “**Confirmation Objection Deadline**”). Any objection to the Plan must: (i) be in writing; (ii) conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware; (iii) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (iv) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is **actually received** no later than the Confirmation Objection Deadline by the following parties (the “**Notice Parties**”). CONFIRMATION OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH HEREIN MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND MAY BE OVERRULED WITHOUT FURTHER NOTICE.

*Notice Parties*

- a) Counsel to the Debtors, Latham & Watkins LLP, 233 South Wacker Drive, Suite 5800, Chicago, IL 60606 (Attn: Josef S. Athanas, Esq. and Matthew L. Warren, Esq.) (josef.athanas@lw.com and matthew.warren@lw.com) (fax: 312-993-9767) and Young Conaway Stargatt & Taylor LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801 (Attn: Michael R. Nestor,

Esq. and Kara Hammond Coyle, Esq.) (mnestor@ycst.com and kcoyle@ycst.com) (fax: 302-576-3472);

- b) Counsel to the Creditors' Committee, Elliott Greenleaf, 1105 North Market Street, Suite 1700, P.O. Box 2327, Wilmington, DE 19801 (Attn: Rafael Xavier Zahralddin-Aravena) (rxza@elliottgreenleaf.com) (fax: 302-384-9399) and Lowenstein Sandler, 919 65 Livingston Avenue, Roseland, NJ 07068 (Attn: S. Jason Teele, Esq.) (steele@lowenstein.com) (fax: 973-597-2347);
- c) Special Bankruptcy and Restructuring Counsel to the Agent for the First Lien Lenders, Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY 10019 (Attn: Scott K. Charles, Esq. and Michael S. Benn, Esq.) (SKCharles@wlrk.com and MSBenn@wlrk.com) (fax: 212-403-2158) and DLA Piper LLP, 919 North Market Street, 15th Floor, Suite 1500, Wilmington, DE 19801 (Attn: Stuart M. Brown, Esq.) (stuart.brown@dlapiper.com) (fax: 302-778-7913);
- d) Financing Counsel to the Agent for the First Lien Lenders, Morgan Lewis, 225 Franklin Street, 16th Floor, Boston, MA 02110 (Attn: Sula Fiszman, Esq.) (sfiszman@morganlewis.com) (fax: 617-341-7701);
- e) Counsel to the Agent for the Second Lien Lenders, Sidley Austin LLP, One South Dearborn, Chicago, IL 60603 (Attn: Larry Nyhan, Esq. and Jeffrey E. Bjork, Esq.) (lnyhan@sidley.com and jbjork@sidley.com) (fax: 213-896-6600);
- f) Agent for the Mezzanine Lenders, Goldman Sachs Credit Partners L.P., 30 Hudson Street, 5th Floor, Jersey City, NJ 07302 (Attn: Michelle Latzoni) (gsd.link@gs.com) (fax: 212-357-4597);
- g) Receiver for Graceway Canada Company, Duff & Phelps Canada Restructuring Inc., 200 King Street West, Suite 1002, Toronto, ON M5H 3T4 (Attn: Robert Kofman and David Sieradzki) (bobby.kofman@duffandphelps.com and david.sieradzki@duffandphelps.com) (fax: 647-497-9490);
- h) Counsel to the Receiver for Graceway Canada Company, Davies Ward Phillips & Vineberg LLP, 1 First Canadian Place, Suite 4400, P.O. Box 63, Toronto, ON M5X 1B1 (Attn: Jay Swartz) (jswartz@dwpv.com) (fax: 416-863-0871);
- i) Counsel to Graceway Canada Company, Goodmans LLP, Bay Adelaide Centre, 333 Bay Street, Suite 3400, Toronto, ON M5H 2S7 (Attn: Fred Myers, Joe Latham, and Caroline Descours) (fmyers@goodmans.ca, jlatham@goodmans.ca, and cdescours@goodmans.ca) (fax: 416-979-1234);

- j) The Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2213, Lockbox 35, Wilmington, DE 19801 (Attn: Juliet Sarkessian, Esq.) (Juliet.M.Sarkessian@usdoj.gov) (fax: 302-573-6497).

If you would like to obtain a Solicitation Package (excluding Ballots) or if you have questions regarding the procedures and requirements for objecting to the Plan, you may contact BMC Group, Inc., the voting and claims agent retained by the Debtors in these Chapter 11 Cases (the "**Voting and Claims Agent**"), by: (i) calling the BMC Call Center at (888) 909-0100; (ii) visiting BMC's website at: [www.bmcgroup.com/graceway](http://www.bmcgroup.com/graceway) and/or (iii) writing to BMC Group, Inc., attn: Graceway Pharmaceuticals Solicitation Requests, PO Box 3020, Chanhassen, MN 55317-3020. You may also obtain copies of any pleadings filed in these Chapter 11 Case for a fee at: <http://www.deb.uscourts.gov> or free of charge at [www.bmcgroup.com/graceway](http://www.bmcgroup.com/graceway).

**THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, PLEASE CONTACT THE VOTING AND CLAIMS AGENT AT THE NUMBER OR ADDRESS SPECIFIED ABOVE.**

NO PERSON, INCLUDING THE VOTING AND CLAIMS AGENT, HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, INCLUDING LEGAL ADVICE, OR TO MAKE ANY REPRESENTATION, REGARDING THE DEBTORS OR THIS PLAN.

Wilmington, Delaware  
\_\_\_\_\_, 2012

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**ATTORNEYS FOR DEBTORS AND DEBTORS-IN-POSSESSION**