

**Exhibit B**

**Summary of Objections**

**In re Graceway Pharmaceuticals, LLC**  
**Case No. 11-13036**

**Confirmation Objection Status Chart**

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Informal	EPA	<ul style="list-style-type: none"> <li>▪ The EPA asserted that the Plan contains language that could be interpreted to prohibit the government from enforcing police and regulatory liability.</li> <li>▪ The EPA requested that the following language be added to the Confirmation Order:               <ul style="list-style-type: none"> <li>○ Nothing in this Order or the Plan releases, nullifies, precludes, or enjoins the enforcement of any liability to a governmental unit under police and regulatory statutes or regulations that any entity would be subject to as the owner or operator of property after the date of entry of the Sale Order or this Order.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ The Debtors agreed to add the following language to the Confirmation Order:               <ul style="list-style-type: none"> <li>○ Nothing in this Order or the Plan releases, nullifies, precludes, or enjoins the enforcement of any liability to a governmental unit under environmental statutes or regulations that any entity would be subject to as the owner or operator of real property after the date of entry of this Order or, solely with respect to the Purchaser and its affiliates, after the date of entry of the Sale Order.</li> </ul> </li> </ul>	Resolved

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Docket No. 655	IRS	<ul style="list-style-type: none"> <li>▪ The IRS objected to Article XII of the Plan to the extent that it fails to preserve the setoff and recoupment rights of the IRS.</li> <li>▪ The IRS objected to Section 2.5.2 of the Plan to the extent it sets an administrative claims bar date for taxes under Section 503(b)(1)(B) and (C) in violation of Section 503(b)(1)(D).</li> <li>▪ The IRS objected to Section 9.3 of the Plan to the extent it prohibits the IRS from amending its claims without Bankruptcy Court approval and disallows claims if such approval is not obtained.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Debtors agreed to add the following language to the Confirmation Order: <ul style="list-style-type: none"> <li>○ Notwithstanding any provision to the contrary in the Plan, the Order confirming the Plan, and any implementing Plan documents, nothing shall: (1) affect the rights of the United States to assert setoff and recoupment and such rights are expressly preserved; (2) require the Internal Revenue Service ("IRS") to seek Bankruptcy Court approval prior to amending any of its claims and all rights of the IRS under Sections 502 and 503 of the Bankruptcy Code with respect to a claim or an amended claim of the IRS are preserved; or (3) require the IRS to file an administrative claim in order to receive payment for any liability described in Sections 503(b)(1)(B) and (C) in accordance with Section 503(b)(1)(D) of the Bankruptcy Code.</li> </ul> </li> </ul>	Resolved
Docket No. 656	Secretary of Health and Human Services; Centers for Medicare and Medicaid Service; and TRICARE	<ul style="list-style-type: none"> <li>▪ HHS objected to Section 9.3 of the Plan to the extent it prohibits the HHS from amending its claims without Bankruptcy Court approval and disallows claims if such approval is not obtained.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Debtors agreed to add the following language to the Confirmation Order: <ul style="list-style-type: none"> <li>○ Notwithstanding Section 9.3 of the Plan, the United States may amend its proofs of Claim after Confirmation of the Plan without court order. All rights of the United States under Section 502 of Bankruptcy Code with respect to a claim or amended claim of the United States are preserved.</li> </ul> </li> </ul>	Resolved

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Docket No. 657	Cardinal Health	<ul style="list-style-type: none"> <li>▪ Cardinal objected to the Plan, particularly Sections 5.5, 6.6, 12.6, and 12.8, to the extent that it does not preserve Cardinal's setoff and recoupment rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Section 1.139 of the Plan defines "Secured Claim" to include any Claim of a Creditor that is "subject to setoff under Bankruptcy Code Section 553 . . . to the extent of the amount subject to setoff . . . as determined pursuant to Bankruptcy Code Section 506(a)." Accordingly, setoff rights are Unimpaired "Other Secured Claims" under the Plan, and Cardinal's concerns regarding its setoff rights are unfounded. However, for the avoidance of doubt, the Debtors have added the following clarifying language in the Confirmation Order:   <p style="margin-left: 40px;">Nothing in the Plan shall be deemed to waive, release or limit the setoff or recoupment rights, if any, of any Creditor.</p> </li> <li>▪ Additionally, Cardinal has waived any and all of its setoff rights pursuant to Section 8 of the Wholesale Purchase Agreement between McKesson and the Debtors and, therefore, has no setoff rights to preserve.</li> </ul>	Unresolved

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Docket No. 659	TRC Valley Creek Associates-C, LP	<ul style="list-style-type: none"> <li>TRC joined Cardinal's Limited Objection and objected to the Plan to the extent it attempts to foreclose or limit TRC's setoff rights.</li> </ul>	<ul style="list-style-type: none"> <li>Section 1.139 of the Plan defines "Secured Claim" to include any Claim of a Creditor that is "subject to setoff under Bankruptcy Code Section 553 . . . to the extent of the amount subject to setoff . . . as determined pursuant to Bankruptcy Code Section 506(a)." Accordingly, setoff rights are Unimpaired "Other Secured Claims" under the Plan, and TRC's concerns regarding its setoff rights are unfounded.</li> <li>However, for the avoidance of doubt, the Debtors have added the following clarifying language in the Confirmation Order:  Nothing in the Plan shall be deemed to waive, release or limit the setoff or recoupment rights, if any, of any Creditor.</li> </ul>	Unresolved

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Docket No. 660	U.S. Trustee	<ul style="list-style-type: none"> <li>The Trustee objected to the Plan, arguing that it contains non-consensual third-party releases in favor of non-debtors, as well as other release, exculpation and limitation of liability provisions that are contrary to applicable law (namely, <u>In re Washington Mutual and In re Tribune Company</u>).</li> </ul>	<ul style="list-style-type: none"> <li>The Debtors' response to the United States Trustee is set forth in greater detail in the <u>Debtors' Omnibus Reply to Objections to Confirmation of the First Amended Joint Plan of Liquidation of Graceway Pharmaceuticals, LLC, et al.</u></li> <li>The substantial work of the Debtors' directors, officers, employees, and professionals was critical to the \$180 million purchase price increase over the stalking horse bid, which ultimately led to a consensual Plan fully supported by all of the Debtors' key constituencies.</li> <li>Claimants' rights with respect to the release, exculpation, injunction and limitation of liability provisions were clearly explained in both the Plan and the Disclosure Statement.</li> <li>The Debtors provided in the Hill Declaration the evidentiary predicate necessary to approve the Debtor releases under Section 1123(b)(3)(A) of the Bankruptcy Code and Bankruptcy Rule 9019, as well as under the <u>Master Mortgage/Zenith</u> factors.</li> <li>The releases and exculpation provided for in the Plan meet the fairness and necessity principles from the <u>In re Continental Airlines</u> decision, because each Creditor Release provided critical value to the Debtors' Estates and the Plan in exchange for such releases and the failure to effect the release provisions would seriously impair the Debtors' ability to confirm the Plan.</li> <li>No other party, indeed no party with an economic stake in these cases, has objected to the release, exculpation, injunction or limitation of liability provisions.</li> </ul>	Unresolved

<u>Docket No.</u>	<u>Objecting Party</u>	<u>Arguments</u>	<u>Debtors' Reply</u>	<u>Status of Objection</u>
Docket No. 661	McKesson Corporation	<ul style="list-style-type: none"> <li>▪ McKesson Corporation joined Cardinal's Limited Objection and objected to the Plan to the extent it alters McKesson's setoff or recoupment rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Section 1.139 of the Plan defines "Secured Claim" to include any Claim of a Creditor that is "subject to setoff under Bankruptcy Code Section 553 . . . to the extent of the amount subject to setoff . . . as determined pursuant to Bankruptcy Code Section 506(a)." Accordingly, setoff rights are Unimpaired "Other Secured Claims" under the Plan, and McKesson's concerns regarding its setoff rights are unfounded. However, for the avoidance of doubt, the Debtors have added the following clarifying language in the Confirmation Order:   Nothing in the Plan shall be deemed to waive, release or limit the setoff or recoupment rights, if any, of any Creditor.</li> </ul>	Unresolved