

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

GRACEWAY PHARMACEUTICALS, LLC.,
et al.

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

(Jointly Administered)

Hearing Date: July 12, 2012 at 9:30 a.m. (Eastern Standard Time)

Objection Deadline: July 2, 2012 at 4:00 p.m. (Eastern Standard Time)

SEVENTH MONTHLY AND FINAL FEE APPLICATION OF LOWENSTEIN SANDLER PC, COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE SEVENTH MONTHLY FEE PERIOD FROM APRIL 1, 2012 THROUGH APRIL 26, 2012; AND FOR THE FINAL PERIOD FROM OCTOBER 11, 2011 THROUGH APRIL 26, 2012

Name of Applicant:

LOWENSTEIN SANDLER PC
65 Livingston Avenue
Roseland, New Jersey 07068
Telephone: 973.597.2500

Authorized to Provide
Professional Services to:

Counsel to Official Committee of Unsecured
Creditors

Date of Retention:

November 7, 2011, effective as of October 11, 2011

Monthly Period for which compensation
and reimbursement is sought:

April 1, 2012 through April 26, 2012

Amount of Monthly Compensation sought
as actual, reasonable and necessary:

\$8,274.50

Amount of Monthly Expense
Reimbursement sought as actual,
reasonable and necessary:

\$ 265.43

Total Monthly Request:

\$8,539.93

Final Period for which compensation and reimbursement is sought: October 11, 2011 through April 26, 2012

Amount of Final Compensation sought as actual, reasonable and necessary: \$252,333.50

Amount of Final Expense Requested: \$ 9,398.91

Total Final Request: \$261,732.41

This is a(n): **Seventh Monthly Fee Application and Final Fee Application**

The total time expended in connection with the preparation of this fee application is not included herein as such time was expended after the Compensation Period.

PRIOR APPLICATION HISTORY

Date Filed	Period Covered	Requested		Approved		Certificate of No Objection / Signed Order
		Fees 100%	Expenses	Fees 80%	Expenses	
12/02/2011	10/11/2011 – 10/31/2011	\$118,380.50	\$3,703.38	\$94,704.40	\$3,703.38	#412
01/11/2012	11/1/2011 – 11/30/2011	\$97,878.00	\$3,195.43	\$78,302.40	\$3,195.43	#503
01/11/2012	12/01/2011 – 12/31/2011	\$6,880.50	\$1,992.31	\$5,504.40	\$1,992.31	#515
02/14/2012	10/11/2011 – 12/31/2011	\$223,139.00	\$8,891.12			#614
03/12/2012	01/01/2012 – 01/31/2012	\$9,245.00	\$163.67	\$7,396.00	\$163.67	#663
04/18/2012	02/01/2012 – 02/29/2012	\$6,887.50	\$54.96	\$5,510.00	\$54.96	#751
04/18/2012	03/01/2012 – 03/31/2012	\$4,787.50	\$23.73	\$3,830.00	\$23.73	#752

**SEVENTH MONTHLY FEE APPLICATION
APRIL 1, 2012 THROUGH APRIL 26, 2012**

Name of Professional	Year Admitted	Title	Hours Spent	Hourly Rate	Charge
Teele, S. Jason	2001	Shareholder/Member	4.40	\$555.00	\$2,442.00
Stefanelli, Nicole	2008	Associate	9.20	370.00	3,404.00
*Stefanelli, Nicole - Travel Time	2008	Associate	1.50	185.00	277.50
Jelinski, Waldemar	N/A	Project Assistant	1.60	105.00	168.00
LaFiura-Smith, Kim Marie	N/A	Paralegal	10.10	180.00	1,818.00
Pami, Laurie	N/A	Fee Application Specialist	1.50	110.00	165.00
TOTAL FEES			28.30		\$8,274.50
Blended Rate					\$292.39

**FINAL COMPENSATION BY PROFESSIONAL
OCTOBER 11, 2011 THROUGH APRIL 26, 2012**

Timekeeper Name	Year Admitted	Hours Worked	Rate	Bill Amount
Citron, Lowell A.	1995	0.10	\$695.00	\$69.50
Lerner, Michael J.	1983	0.30	750.00	225.00
Paradiso, Robert J.	1995	4.50	590.00	2,655.00
Rosen, Kenneth A.	1979	13.40	745.00	9,983.00
* Teele, S. Jason - travel time	2001	8.20	277.50	2,275.50
Teele, S. Jason	2001	197.90	555.00	109,834.50
Chafetz, Eric S.	2004	4.80	490.00	2,352.00
Ingman, Tatiana	2005	94.80	420.00	39,816.00
L'Hernault, Suzanne	1985	0.60	660.00	396.00
Melcher, Ryan S.	2004	10.40	475.00	4,940.00
Pietrowski, Elizabeth	2001	0.80	450.00	360.00
* Stefanelli, Nicole - travel time	2008	5.00	185.00	925.00
Stefanelli, Nicole	2008	166.00	370.00	61,420.00
Belvin, Jada S.	N/A	1.00	95.00	95.00

Jelinski, Waldemar	N/A	4.80	105.00	504.00
LaFiura-Smith, Kim Marie	N/A	63.60	180.00	11,448.00
Pami, Laurie	N/A	6.50	110.00	715.00
Power, Megan	N/A	19.20	225.00	4,320.00

TOTAL ALL TIMEKEEPERS	601.90	\$252,333.50
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* Reflects 50% reduction due to non-working travel time

SEVENTH MONTHLY FEE APPLICATION EXPENSE SUMMARY
APRIL 1, 2011 THROUGH APRIL 26, 2012

Computerized legal research	\$162.48
Travel	97.75
Photocopies 52 pages at \$0.10 per page	5.20
Total Disbursements	\$265.43

FINAL EXPENSE SUMMARY
OCTOBER 11, 2011 THROUGH APRIL 26, 2012

Expense Category	Amount
Messenger and delivery charges	\$10.92
Computerized legal research	6,064.77
Telecommunications	639.04
Travel	2,649.08
Printing and Duplicating Services - Internal 26854 pages at \$0.10 per page	35.10
TOTAL	\$9,398.91

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FOR THE DISTRICT OF DELAWARE**

In re:

GRACEWAY PHARMACEUTICALS, LLC.,
et al.

Debtors.

Chapter 11

Case No. 11-13036 (PJW)

(Jointly Administered)

Hearing Date: July 12, 2012 at 9:30 a.m. (Eastern Standard Time)

Objection Deadline: June 7, 2012 at 4:00 p.m. (Eastern Standard Time)

SEVENTH MONTHLY AND FINAL FEE APPLICATION OF LOWENSTEIN SANDLER PC, COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE SEVENTH MONTHLY FEE PERIOD FROM APRIL 1, 2012 THROUGH APRIL 26, 2012; AND FOR THE FINAL PERIOD FROM OCTOBER 11, 2011 THROUGH APRIL 26, 2012

**TO: HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE:**

Lowenstein Sandler PC (the "Applicant"), as counsel to the Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of Graceway Pharmaceuticals, LLC, *et al.*, the above captioned debtors and debtors-in-possession (collectively, the "Debtors"), submits this seventh monthly application for allowance of compensation and reimbursement of expenses for the period of April 1, 2012 through April 26, 2012 and final application for compensation for the period of October 11, 2011 through April 26, 2012 (this "Application"). In support of this Application, the Applicant respectfully represents and alleges as follows:

1. On September 29, 2011 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy")

Code"). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors continued to operate their businesses and manage their properties as debtors-in-possession.

2. No trustee or examiner has been appointed in the Debtors' bankruptcy cases.

3. On October 12, 2011, the Office of the United States Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code [Docket No. 90].

4. On October 17, 2011, the Court entered the Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses for Professionals ("Interim Compensation Order") [Docket No. 127].

5. On November 7, 2011, the Court entered an order [Docket No. 223] authorizing the employment and retention of the Applicant as counsel to the Committee effective as of October 11, 2011.

6. This Application is made by Applicant for an allowance of compensation and reimbursement of expenses for the period of April 1, 2011 through April 26, 2012 (the "Monthly Fee Period") and for final allowance of compensation for the period of October 11, 2011 through April 26, 2012 for professional services rendered for and on behalf of the Committee (the "Final Fee Period"). In addition, the Applicant seeks reimbursement of actual and necessary costs and expenses incurred during the Final Fee Period.

7. Specifically, the Applicant seeks an allowance of \$8,274.50 for services rendered during the Monthly Fee Period. The Applicant also seeks reimbursement of actual and necessary costs and expenses incurred during the Monthly Fee Period in the amount of \$265.43. A description of the services rendered during the Monthly Fee Period is annexed hereto as Exhibit "A".

8. The Applicant also seeks a final fee allowance in the amount of \$252,333.50 for services rendered since October 22, 2011 and \$9,398.91 for reimbursement of actual and necessary

costs and expenses incurred during the final fee period. A description of services rendered during the Final Fee Period is annexed hereto as Exhibit "B".

9. During the final fee period, the Applicant rendered professional services to the Committee as requested, necessary and appropriate and were in furtherance of the Committee's duties and functions in these chapter 11 cases.

DISBURSEMENTS

10. Applicant incurred reasonable and necessary out-of-pocket expenses during the Monthly Fee Period in the sum of \$265.43, in connection with rendering legal services to the Committee during the Fee Period. A description of the expenses for the Monthly Fee Period is annexed hereto as Exhibit "C"

11. In addition, Applicant requests that this Court issue a final order approving and allowing Applicant total reimbursement of expenses in the total amount of \$9,398.91 in connection with the work performed during the Final Fee Period. A description of the expenses for the Final Fee Period is annexed hereto as Exhibit "D".

12. Annexed hereto as Exhibit "E" and made part hereof is a Certification of S. Jason Teele, Esq. submitted pursuant to section 504 of the Bankruptcy Code.

13. During the course of these cases, Applicant has incurred and paid its actual and necessary disbursements and expenses.

14. This is the Applicant's seventh monthly and final fee application pursuant to the Interim Compensation Order that was entered on October 17, 2011. Applicant has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever with regards to the seventh monthly fee period in connection with these cases, and there is no agreement or understanding between Applicant and any other person, other than members

of the Applicant, for the sharing of compensation to be received for services rendered in these cases.

WHEREFORE, Applicant respectfully requests that the Court (A) allow Lowenstein Sandler PC (1) the seventh monthly fee application sum of \$8,274.50 for services rendered, plus expenses of \$265.43, for a total monthly compensation of \$8,539.93, and (2) the final fee application of \$252,333.50 for services rendered, plus expenses incurred in the amount of \$9,398.91 for a total of \$261,732.41; and (B) grant such other and further relief as this Court may deem just and proper.

Dated: May 25, 2012

By: /s/ S. Jason Teele
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