

**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

(Jointly Administered)

NOTICE OF HEARING

PLEASE TAKE NOTICE that on June 8, 2012, the United States, on behalf of the Secretary of Health and Human Services (Secretary) and the Centers for Medicare and Medicaid Services (CMS), which administers the Medicare program, filed United States' Motion for Allowance and Payment of Administrative Expense Claim Pursuant to 11 U.S.C. § 503(b) (Motion) with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Third Floor, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that objections or responses to the Motion, if any, must be made in writing, filed with the Clerk of the Bankruptcy Court, 824 Market Street, Third Floor, Wilmington, Delaware 19801, and served upon the undersigned counsel on or before Tuesday, August 7, 2012, at 4:00 p.m. EDT.

¹The 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). 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.

PLEASE TAKE FURTHER NOTICE that a hearing with respect to the Motion is **To Be Determined** before the Honorable Peter J. Walsh at the Bankruptcy Court, 824 Market Street, 6th Floor, Courtroom 2, Wilmington, Delaware 19801. The United States will file a subsequent Notice of Hearing establishing the hearing date and time after the Court sets Omnibus Hearing dates for August and/or September.

PLEASE TAKE FINAL NOTICE that if no objection to the Motion is timely filed, served and received in accordance with this Notice of Motion, the Bankruptcy Court may grant the relief requested without further notice or a hearing.

Dated: June 8, 2012

Respectfully submitted,

STUART DELERY
Acting Assistant Attorney General

CHARLES M. OBERLY, III
United States Attorney

ELLEN W. SLIGHTS (DE Bar No. 2782)
Assistant United States Attorney
1007 Orange Street, Suite 700
P.O. Box 2046
Wilmington, Delaware 19899-2046

/s/ Rodney Morris

J. CHRISTOPHER KOHN
TRACY J. WHITAKER
RODNEY A. MORRIS
Commercial Litigation Branch
Civil Division
United States Department of Justice
P.O. Box 875
Ben Franklin Station
Washington D.C. 20044
Tel. (202) 305-1759
Fax (202) 514-9163
Attorneys for the United States of America