

Exhibit A

Proposed Interim 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 (____)

Joint Administration Pending

Reference Doc. No. ____

**INTERIM ORDER (A) AUTHORIZING, BUT NOT DIRECTING, THE DEBTORS TO
REMIT AND PAY CERTAIN TAXES AND FEES AND (B) AUTHORIZING AND
DIRECTING BANKS AND OTHER FINANCIAL INSTITUTIONS TO HONOR
RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS**

("Interim Prepetition Taxes Order")

Upon consideration of the motion (the "**Motion**")² of the Debtors for entry of an order (a) authorizing, but not directing, the Debtors to remit and pay certain sales, use, income, real property, personal property and other taxes, as well as fees for licenses, permits, and other similar charges and assessments and (b) authorizing and directing banks and other financial institutions to receive, process, honor, and pay checks presented for payment and electronic payment requests relating to the foregoing; 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 Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections or requests for

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); Graceway Holdings, LLC, a Delaware limited liability company (2502); Graceway Pharmaceuticals, LLC, a Delaware limited liability company (5385); Chester Valley Holdings, LLC, a Delaware limited liability company (9457); Chester Valley Pharmaceuticals, LLC, a Delaware limited liability company (3713); Graceway Canada Holdings, Inc., a Delaware corporation (6663); and Graceway International, Inc., a Delaware corporation (2399). 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 Motion.

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 Motion is GRANTED on an interim basis as set forth herein.
2. The Debtors are authorized, but not required, to pay and remit to the Authorities any and all amounts owed on account of Sales and Use Taxes, in an aggregate amount not to exceed \$200, without regard to whether such Sales and Use Taxes accrued or arose before or after the Petition Date.
3. The Debtors are authorized, but not required, to pay and remit to the Authorities any and all amounts owed on account of Franchise/Gross Receipts Taxes, in an aggregate amount not to exceed \$50,000, without regard to whether such Franchise/Gross Receipts Taxes accrued or arose before or after the Petition Date.
4. The Debtors are authorized, but not required, to pay and remit to the Authorities any and all amounts owed on account of Income Taxes, in an aggregate amount not to exceed \$15,000, without regard to whether such Incomes Taxes accrued or arose before or after the Petition Date.
5. The Debtors are authorized, but not required, to pay and remit to the Authorities any and all amounts owed on account of Fees, in an aggregate amount not to exceed \$5,000, without regard to whether such Fees accrued or arose before or after the Petition Date.
6. The banks and other financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized and directed to receive, process, honor, and pay such checks and electronic payment requests when presented for payment, and all such banks and other financial institutions are

authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Order.

7. The Debtors are authorized to reissue any check or electronic payment that originally was given in payment of any prepetition amount authorized to be paid under this Order and is not cleared by the applicable bank or other financial institution.

8. Nothing in the Motion or this Order, nor as a result of the Debtors' payment of claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity or priority of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim; or (c) an approval or assumption of any agreement, contract or lease pursuant to Section 365 of the Bankruptcy Code.

9. The Debtors do not concede that any liens (contractual, common law, statutory, or otherwise) described in this Motion and that may be asserted by the Authorities are valid, and the Debtors expressly reserve the right to contest the extent, validity, or perfection, or seek the avoidance, of all such liens.

10. All time periods set forth in this Order shall be calculated in accordance with Rule 9006(a) of the Federal Rules of Bankruptcy Procedure.

11. This court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested herein is necessary to avoid immediate and irreparable harm.

12. The Debtors shall serve a copy of this Order, the Motion and the proposed Final Order on the Notice Parties and the Taxing Authorities set forth on Exhibit C to the Motion no later than five (5) business days following the date of entry of this Order.

13. The final hearing to consider entry of an order granting the relief requested in the Motion on a final basis shall be held on _____, 2011, at _____ (Eastern Time) (the "**First Omnibus Hearing**").

14. Any objection to the relief requested in the Motion on a permanent basis must be (a) filed in writing with the Court, at 824 North Market Street, [] Floor, Wilmington, Delaware 19801, by 4:00 p.m. (Eastern Time) on the date that is 20 days after the entry of this interim order, October __, 2011 (the "**Objection Deadline**") and (b) served so as to be actually received by the following parties by the Objection Deadline: (i) the Debtors, c/o John A. A. Bellamy, Executive Vice President & General Counsel, Graceway Pharmaceuticals, LLC, 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, TN 37620, (ii) proposed co-counsel to the Debtors, Latham & Watkins, LLP, 233 South Wacker Drive, Chicago, IL 60606 (Attn: Josef S. Athanas, Esq. and Matthew L. Warren, Esq., josef.athanas@lw.com and matthew.warren@lw.com) and Young Conaway Stargatt & Taylor, 1000 West Street, 17th Floor, Wilmington, Delaware 19801 (Attn: Michael R. Nestor, Esq. and Kara Hammond Coyle, Esq., mnestor@ycst.com and kcoyle@ycst.com), (iv) financing counsel to the First Lien Agent, Morgan, Lewis & Bockius LLP, 225 Franklin Street, 16th Floor, Boston, Massachusetts 02110, Attn: Jonathan K. Bernstein, jbernstein@morganlewis.com, (v) special restructuring and bankruptcy counsel to the First Lien Agent, Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, New York 10019, Attn: Scott K. Charles and Michael S. Benn, SKCharles@wlrk.com and MSBenn@wlrk.com, (vi) counsel to any Committee, (vii) counsel to the Second Lien Agent, Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, Attn: Larry J. Nyhan, lnyhan@sidley.com and (viii) the Office of the United States Trustee for the District of Delaware, 844 King Street, J. Caleb

Boggs Federal Building, Room 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Juliet M. Sarkessian).

15. Notwithstanding the provisions of Bankruptcy Rule 6004 and Bankruptcy Rule 6006 or any applicable provisions of the Local Rules, this Order shall not be stayed for fourteen (14) days after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in such rules is hereby expressly waived and shall not apply.

16. 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.

17. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

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

Dated: _____, 2011

United States Bankruptcy Judge