

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

In re:

NEW ENGLAND COMPOUNDING
PHARMACY, INC.,

Debtor.

Chapter 11

Case No. 12-19882-HJB

**NOTICE TO COUNTERPARTIES TO EXECUTORY CONTRACTS
AND UNEXPIRED LEASES BEING ASSUMED UNDER THE FIRST AMENDED
JOINT CHAPTER 11 PLAN OF NEW ENGLAND COMPOUNDING PHARMACY, INC.**

PLEASE TAKE NOTICE THAT on March 3, 2015, the United States Bankruptcy Court for the District of Massachusetts (the “Court”) entered the *Order (I) Approving the Adequacy of the Amended Joint Disclosure Statement; (II) Approving Solicitation and Notice Procedures With Respect to Confirmation of the Plan Proponents’ First Amended Joint Plan of Reorganization; (III) Approving the Form of Various Ballots and Notices in Connection Therewith; (IV) Scheduling Certain Dates With Respect Thereto; and (V) Granting Related Relief* [Docket No. 1181] (the “Disclosure Statement Order”) that, among other things: (a) approved the adequacy of the *Disclosure Statement for First Amended Joint Chapter 11 Plan of New England Compounding Pharmacy, Inc.* [Docket No. 1155] (as amended and including all exhibits and supplements thereto, the “Disclosure Statement”) filed in support of the *First Amended Joint Chapter 11 Plan of New England Compounding Pharmacy, Inc.* [Docket No. 1154] (as may be amended or supplemented from time to time and including all exhibits and supplements thereto, the “Plan”); and (b) authorized the Plan Proponents to solicit acceptances or rejections of the Plan from holders of Impaired Claims who are (or may be) entitled to receive distributions under the Plan.¹

PLEASE TAKE FURTHER NOTICE THAT the Disclosure Statement, the Disclosure Statement Order, the Plan, and the other documents and materials included in the Solicitation Package, except Ballots, may be obtained at no charge from Donlin, Recano & Co., Inc., the claims and noticing agent retained by the Debtor in the Chapter 11 Cases (the “Claims and Noticing Agent”) by (a) accessing the website for the Claims and Noticing Agent at <http://www.drcdrx.com/cases/caseinfo/necp>; (b) writing to the Claims and Noticing Agent by First Class Mail at P.O. Box 2034, Murray Hill Station, New York, NY 10156-0701, Re: New England Compounding Pharmacy, Inc., Attn: Voting Department; (c) writing to the Claims and Noticing Agent by Hand Delivery or Overnight Mail at 6201 15th Ave, Brooklyn, NY 11219,

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan, the Disclosure Statement, or the Disclosure Statement Order, as applicable.

Re: New England Compounding Pharmacy, Inc., Attn: Voting Department; or (d) calling the Claims and Noticing Agent at (212) 771-1128. You may also obtain copies of any pleadings filed in the Chapter 11 Cases for a fee via PACER at: <http://www.mab.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE THAT under the terms of Article VIII of the Plan, all executory contracts and unexpired leases to which the Debtor is or may be deemed a party, except for and other than (a) the Settlement Agreements; and (b) insurance policies issued to or insurance agreements entered into by the Debtor prior to the Petition Date, shall be deemed rejected as of the Effective Date, without the need for any further action by the Post-Confirmation Officer except for an executory contract or unexpired lease that (i) has been assumed or rejected pursuant to Final Order of the Bankruptcy Court entered prior to the Effective Date or (ii) is the subject of a separate motion to assume or reject filed under section 365 of the Bankruptcy Code by the Debtor prior to the Effective Date.

You are receiving this notice because you or one of your affiliates is a counterparty to an Executory Contract or an Unexpired Lease² listed below with the Debtor:

[Counterparty Name]	[Contract/Lease]	[Cure Obligation]
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The Debtor intends to assume the Executory Contracts or Unexpired Leases listed above to which you are a counterparty. The Plan Proponents have conducted a review of the Debtor's books and records and has determined that the amount to cure unpaid obligations under such contract or lease is as set forth above (the "Cure Obligation"). Unless otherwise ordered by the Court, any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption and assignment or related Cure Obligation must be Filed with the Court.

PLEASE TAKE FURTHER NOTICE THAT in the event of a dispute regarding: (a) any cure obligation; (b) the ability of the Debtor or any assignee, as applicable, to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under any of your Executory Contracts or Unexpired Leases; or (c) any other matter pertaining to assumption or assumption and assignment of any of your Executory Contracts or Unexpired Leases, the satisfaction of any cure obligation will be made following the entry of a Final Order resolving the dispute and approving the assumption and assignment of such Executory Contracts or Unexpired Leases; provided, however, that prior to the Effective Date, the Debtor or any assignee, as applicable, may settle any dispute regarding such cure obligation without further notice to or action, order, or approval of the Court.

PLEASE TAKE FURTHER NOTICE THAT assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan, or otherwise, shall result in the full release and satisfaction of any Claims or defaults, subject to satisfaction of any cure obligation, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption and/or assignment. Anything in the Schedules and any proofs of claim filed with

² This "Notice" is being sent to counterparties to Executory Contracts and Unexpired Leases. This Notice is not an admission by the Plan Proponents or the Debtor that such contract or lease is executory or unexpired.

respect to an Executory Contract or Unexpired Lease that has been assumed and assigned shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court or any other entity.

YOUR STATUS AS A COUNTERPARTY TO AN EXECUTORY CONTRACT AND/OR AN UNEXPIRED LEASE DOES NOT IN AND OF ITSELF ENTITLE YOU TO VOTE ON THE PLAN. Accordingly, this notice and the *Notice of Order (I) Approving the Adequacy of the Amended Joint Disclosure Statement; (II) Approving Solicitation and Notice Procedures With Respect to Confirmation of the Plan Proponents' First Amended Joint Plan of Reorganization; (III) Approving the Form of Various Ballots and Notices in Connection Therewith; (IV) Scheduling Certain Dates With Respect Thereto; and (V) Granting Related Relief* [Docket No. 1183] are being sent to you for informational purposes only.

PLEASE TAKE FURTHER NOTICE THAT if you have any questions about this Notice you should contact the Claims and Noticing Agent in accordance with the instructions provided above.

DUANE MORRIS LLP

Paul D. Moore, Esq.
100 High Street
Suite 2400
Boston, MA 02110
Telephone: (857) 488-4200
Facsimile: (857) 401-3057

BROWN RUDNICK LLP

William R. Baldiga, Esq.
Kiersten A. Taylor, Esq.
One Financial Center
Boston, MA 02111
Telephone: (617) 856-8200
Facsimile: (617) 856-8201

Chapter 11 Trustee

David J. Molton, Esq.
7 Times Square
New York, NY 10036
Telephone: (212) 209-4800
Facsimile: (212) 209-4801

*Counsel to the Official Committee
of Unsecured Creditors*

Dated: March 6, 2015