

**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 REJECTED BY 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

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.

Noticing Agent by Hand Delivery or Overnight Mail at 6201 15th Ave, Brooklyn, NY 11219, Re: New England Compounding Pharmacy, Inc., Attn: Voting Department; or (c) 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]
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The Debtor intends to reject the Executory Contracts or Unexpired Leases listed above to which you are a counterparty. As a result of the Executory Contracts or Unexpired Leases to which you are a counterparty being rejected, you may be entitled to an unsecured claim for which a proof of claim must be filed. Pursuant to the Plan, if the rejection of your Executory Contracts or Unexpired Leases gives rise to a Claim by you, unless otherwise provided by an order of the Bankruptcy Court, any proofs of claim based on the rejection of the Debtor's Executory Contracts or Unexpired Leases, pursuant to the Plan or otherwise, must be filed with the Bankruptcy Court and served upon the Post-Confirmation Officer on or before the date that is thirty (30) days after the Confirmation Date. In addition, any objection to the rejection of an Executory Contract or Unexpired Lease must be filed with the Court and served so as to actually be received by the Debtor before fourteen days after the service of this Notice.

Any holders of Claims arising from the rejection of an Executory Contract or Unexpired Lease for which proofs of claims are not timely filed as set forth in the paragraph above shall not (1) be treated as a creditor with respect to such Claim, or (2) participate in any distribution in the Chapter 11 Cases on account of such Claim. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not filed with the Court within such time will be automatically disallowed and forever barred from assertion and shall not be enforceable against the Debtor, the Debtor's Estates, or the property of any of the foregoing without the need for any objection by the Debtor or further notice to, or action, order, or approval of the Court or any other entity. Any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a proof of claim to the contrary. All Allowed Claims arising from the rejection of the Debtor's

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 Debtor that such contract or lease is executory or unexpired.

Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims against the Debtor, except as otherwise provided by order of the Court.

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 NOTICE THAT if you file a proof of claim based on the rejection of your Executory Contracts or Unexpired Leases, then no later than two business days thereafter, the Claims and Noticing Agent shall distribute a Ballot, and a pre-addressed, postage pre-paid envelope to you, which must be returned to the Claims and Noticing Agent no later than the Voting Deadline, which is **May 5, 2015 at 4:00 p.m. (Eastern Prevailing Time).**

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.

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Dated: March 6, 2015