

Debtors' Motion for an Order Pursuant to Sections 363 and 365 of the Bankruptcy Code Authorizing Chemtura Corporation to Amend and Assume the Triflumizole Technical Purchase Agreement and Related License Agreement with Nippon Soda Co., Ltd. and Pay Related Cure Costs (the "Nippon Agreement Motion").

By the Nippon Agreement Motion, the Debtors seek to (i) enter into an amendment (the "Amendment") with respect to each of (a) the NF-114 Purchase Agreement, dated as of October 22, 1985 (the "Purchase Agreement") between Uniroyal Chemical Company, Inc. (a predecessor of Chemtura Corporation) and Nippon Soda Co. Ltd. ("Nippon Soda") and (b) the related License Agreement, dated as of October 1, 1984 (the "License Agreement" and, together with the Purchase Agreement, the "Agreements"), (ii) assume the Agreements, as amended, and (iii) pay cure costs related to the assumption of the Agreements.

Pursuant to the Agreements, the Debtors purchase all of their requirements for triflumizole technical, a crop protection product, from Nippon Soda. The Debtors formulate and sell triflumizole under a variety of fungicide branded products, and such products are among the Debtors' most profitable products in their crop protection business segment. The Debtors forecast that 2009 sales of these products will exceed \$9.7 million. Nippon Soda is the Debtors' sole EPA-registered source of triflumizole, and the Debtors believe that finding an EPA-registered replacement supplier would take approximately two years.

Since the petition date, the Debtors and Nippon Soda have disputed whether, under Japanese law, the Agreements have terminated. The parties have nonetheless continued operating in good faith under the Agreements during the postpetition period. The parties have agreed to resolve their dispute through their Amendment, the materials terms of which are as follows:

- **Purchase and Supply of Triflumizole.** The Debtors will purchase all of their requirements for triflumizole from Nisso America (a subsidiary of Nippon Soda) and Nisso America will become a contracting party to the Agreements. Nippon Soda will continue to supply the products under the Agreements. Nippon Soda and Nisso America will not sell triflumizole technical grade to any purchaser other than the Debtors within certain exclusive territories.

- **Term of Agreements.** The term of the Purchase Agreement will be extended through August 31, 2012 and will automatically extend for additional terms of two years unless either party has given at least one year's written notice of non-renewal. The License Agreement will be amended to be coterminous with the Purchase Agreement.

- **Purchase Price, Adjustments and Payment Terms.** During the Debtors' chapter 11 cases, the Debtors will pay for each shipment under the Purchase Agreement in advance in cash subject to a 12% per annum discount (to be adjusted after the conclusion of the chapter 11 cases) as an accommodation to Nippon Soda for its inability to obtain credit

insurance. After Nippon Soda is able to obtain credit insurance, the Debtors will have payment terms of net 60 days for each shipment.

- **Cure Costs.** The Debtors have agreed to the payment of Yen 62,192,000 (approximately \$686,500) for all prepetition amounts due and owing to Nippon Soda and Nisso America.

- **Limited Releases.** The Debtors agree that they will not seek to “claw back,” recover or avoid any payments made by the Debtors to Nippon Soda or Nisso America under the Purchase Agreement.

The Debtors believe that entry into the Amendment and the assumption of the Agreements is in the best interests of the estates because, among other things, the Amendment will resolve the pending dispute between the parties and will preserve the Debtors’ ability to purchase a profitable product.

The Nippon Agreement Motion has been scheduled for hearing on September 29, 2009 at 9:45 a.m. (ET), with a corresponding objection deadline of September 22, 2009 at 4:00 p.m. (ET).