

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
Chemtura Corporation, *et al.* : Case No. 09-11233 (REG)
Debtors. : (Jointly Administered)
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**ORDER AUTHORIZING THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF CHEMTURA CORPORATION, *ET AL.*
TO RETAIN AND EMPLOY FTI CONSULTING, INC.
AS FORENSIC ACCOUNTANT TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, *NUNC PRO TUNC* TO MAY 5, 2009**

Upon the application (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of Chemtura Corporation, *et al.* (collectively, the "Debtors"), for entry of an order pursuant to sections 1103(a) and 328(a) of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Committee to retain and employ FTI Consulting, Inc. ("FTI") as its forensic accountant, *nunc pro tunc* to May 5, 2009; and upon the Affidavit of Michael Eisenband in support of the Application (the "Eisenband Affidavit"); and due and adequate notice of the Application having been given; and it appearing that no other notice need be given; and it appearing that FTI is not representing any adverse interests in connection with these cases; and it appearing that the relief requested in the Application is in the best interest of the Committee; after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED that the Application be, and it hereby is, granted; and it is further

ORDERED that in accordance with sections 1103(a) and 328(a) of the Bankruptcy Code, the Committee is authorized to retain and employ FTI effective as of May 5, 2009 as its forensic accountant on the terms set forth in the Application; and it is further

ORDERED that FTI shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, such Bankruptcy Rules¹ and local bankruptcy rules as may then be applicable from time to time, and such procedures as may be fixed by order of this Court; and it is further

ORDERED that pursuant to the preceding paragraph, FTI is entitled to reimbursement of actual and necessary expenses, including any reasonable legal fees incurred for FTI's defense of its retention and fee applications in this matter, subject to Court approval; and it is further

ORDERED that the following indemnification provisions are approved:

- a. subject to the provisions of subparagraphs (b) and (c) below, the Debtors are authorized to indemnify, and shall indemnify, FTI for any claims arising from, related to, or in connection with FTI's engagement, but not for any claim arising from, related to, or in connection with FTI's postpetition performance of any services other than those in connection with services provided to the Committee in accordance with the Application and this Order, unless such postpetition services and indemnification therefore are approved by this Court;
- b. the Debtors shall have no obligation to indemnify FTI for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen primarily from FTI's bad faith,

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Application.

gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to FTI's bad faith, gross negligence or willful misconduct, but determined by this Court, after notice and a hearing pursuant to subparagraph (c) infra, to be a claim or expense for which FTI is not entitled to receive indemnity under the terms of the Application; and

- c. if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing these chapter 11 cases, FTI believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification obligations, including, without limitation, the advancement of defense costs, FTI must file an application for the payment of such indemnification in this Court, and the Debtors shall not pay any such amounts to FTI before the entry of an order by this Court approving such payment. This subparagraph (c) is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by FTI for indemnification, and not as a provision limiting the duration of the Debtors' obligation to indemnify FTI; and it is further
- d.

ORDERED that the Committee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising or related to the implementation of this Order.

Dated: *June 26, 2009*
New York, New York

/s/ Robert E. Gerber
HONORABLE ROBERT E. GERBER
UNITED STATES BANKRUPTCY JUDGE