

Debtors' Motion to (A) Reject Prime Lease of Nonresidential Real Property with BMR-Landmark at Eastview LLC and Subleases of Nonresidential Real Property with Progenics Pharmaceuticals, Inc. and Momentive Performance Materials Inc. Nunc Pro Tunc to May 31, 2009 and (B) Enter into an Agreement with Respect Thereto Nunc Pro Tunc to June 1, 2009 (the "Tarrytown Rejection Motion").

By the Tarrytown Rejection Motion, the Debtors seek entry of an order authorizing the Debtors to (i) reject (a) an unexpired lease (the "Prime Lease") between the Debtors and BMR-Landmark at Eastview, LLC (the "Landlord") of certain nonresidential real property located in the complex known as The Landmark at Eastview in the Towns of Greenburgh and Mount Pleasant, New York (the "Leased Premises"), (b) a sublease with Progenics Pharmaceuticals, Inc. (the "Progenics Sublease") for a portion of the Leased Premises, and (c) a sublease with Momentive Performance Materials Inc. (the "Momentive Sublease" and, together with the Prime Lease and the Progenics Sublease, the "Leases") for a portion of the Leased Premises, and (ii) enter into an agreement with respect to the proposed rejection of the Leases (the "Rejection Agreement").

The Debtors' base rent under the Prime Lease is approximately \$347,000 per month, plus additional charges for electricity, heating, ventilation and air conditioning. The Prime Lease expires on December 31, 2009. Following the merger of Witco Corporation and the Debtors in 1999, the Debtors centralized their operations in Middlebury, Connecticut and elected to sublet portions of the Leased Premises.

Pursuant to the Progenics Sublease, Progenics Pharmaceuticals, Inc. ("Progenics") currently pays the Debtors a base rent of \$151,120 per month and additional expenses for electricity, heating, ventilation, and air conditioning. The Progenics Sublease expires on December 30, 2009.

In July 2003, Chemtura entered into the Momentive Sublease, whereby a portion of the Leased Premises was leased to General Electric Company, who subsequently assigned the Momentive Sublease to Momentive Performance Materials, Inc. ("Momentive"). Momentive pays rent of \$129,121 per month plus additional expenses for electricity, heating, ventilation, and air conditioning under the Momentive Sublease. As of the July 28, Momentive owed the Debtors \$157,965.04 for postpetition amounts due under the Momentive Sublease. The Momentive Sublease terminates on December 31, 2009.

As of May 31, 2009, the Debtors have vacated and relinquished control of the Leased Premises. Accordingly, the Debtors submit that they no longer have a need for the Leased Premises. Further, while the rents collected pursuant to the Progenics Sublease and Momentive Sublease minimize the Debtors' own rent obligations, they do not cover the entire rent due under the Prime Lease. The Debtors estimate that absent a rejection of the Leases as of the end of May 2009, the Debtors would incur costs of approximately \$1.8 million through the termination of the Leases at the end of December 2009.

To mitigate damages, the parties have entered into the Rejection Agreement. Pursuant to the Rejection Agreement:

- June 1, 2009 shall be the effective date of the Rejection Agreement.

- The Landlord agrees to recognize Progenics and Momentive as subtenants pursuant to their subleases beginning June 1, 2009. Rent due under the Progenics Sublease and the Momentive Sublease after May 31, 2009 will be paid directly to the Landlord.
- The Landlord will have an allowed unsecured prepetition claim of \$1,436,664.47 and an allowed administrative claim of \$46,801.08 against Chemtura Corporation.
- Momentive will pay the Debtors \$157,965.04 in satisfaction of postpetition amounts owed under the Momentive Sublease.
- The parties agree to mutual releases; however, Momentive will have the right to file a prepetition unsecured claim against the Debtors for (i) any true up or adjustment to any estimated amounts under the Momentive Sublease or (ii) for any amounts owed for materials sold from Momentive to the Debtors of which Momentive is not aware of as of June 1, 2009. The Debtors retain the ability to object to such claims.