

Contract Interest Rate Procedures

Section 3.3(n)(i) of the *Joint Chapter 11 Plan of Chemtura Corporation, et al.*, dated August 4, 2010, provides as follows:¹

Payment of interest: To the extent that the Plan provides for payment of interest to holders of Allowed Unsecured Claims, such interest shall be paid in the same form of consideration as the underlying Allowed Unsecured Claim, and the amount of Allowed interest shall be calculated between the later of the date such Allowed Claim (A) became due in the ordinary course of business or (B) was invoiced to the applicable Debtor, on the one hand, and the Effective Date, on the other hand, with such interest to be payable (except as expressly specified in the Plan) at the federal judgment rate as of the Petition Date or at the contract rate to the extent allowable under applicable law and in accordance with the Contract Interest Rate Procedures.

Section 1.1.38 of the *Joint Chapter 11 Plan of Chemtura Corporation, et al.*, dated August 4, 2010, defines the “Contract Interest Rate Procedures” as “certain procedures by which any holder of an Unsecured Claim may substantiate the existence of an existing contract that specifies the payment of interest, in substantially the form approved by the Bankruptcy Court before the Confirmation Hearing.”

The Debtors have established the following procedures as the Contract Interest Rate Procedures for determining the applicable interest rate for Allowed Unsecured Claims under Sections 1.1.38 and 3.3(n)(i) of the August 4, 2010 plan or any analogous provisions of any revised or alternate plan (the “**Plan**”):

Any holder of a General Unsecured Claim or Convenience Claim entitled to payment of interest under the Plan who wishes to substantiate the existence of an existing contract, invoice or other agreement that specifies the payment of interest shall submit a “**Notice of Contract Rate of Interest**” to the Debtors’ Voting and Claims Agent by no later than **September 9, 2010**. Any Notice of Contract Rate of Interest shall:

- a) identify the Claim and the contractual rate of interest applicable to such Claim;
- b) attach a copy of the contract, invoice or agreement relating to such Claim; and
- c) be signed by the holder of the Claim or its authorized representative under penalty of perjury.

¹ Capitalized terms used herein without definition shall have the meaning set forth in the *Joint Chapter 11 Plan of Chemtura Corporation, et al.*, dated August 4, 2010, as such plan may be modified, amended or supplemented from time to time.

A Notice of Contract Rate of Interest does not need to be filed with the Bankruptcy Court. The Notice of Contract Rate of Interest must be received by the Debtors' Voting and Claims Agent at the following address:

Chemtura Balloting Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Ave.
El Segundo, California 90245

Failure by a holder of a General Unsecured Claim or Convenience Claim or its authorized representative to timely submit a Notice of Contract Rate of Interest will be deemed an admission that no contract rate of interest exists with respect to such holder's General Unsecured Claim or Convenience Claim, and said holder of the General Unsecured Claim or Convenience Claim shall receive interest at the federal judgment rate as of the Petition Date. The Debtors shall provide notice of the deadline to submit a Notice of Contract Rate of Interest.

The Debtors shall provide the Creditors' Committee and the Equity Committee with a list of all Notices of Contract Rate of Interest filed and a separate list of all Notices of Contract Rate of Interest to which the Debtors intend to object. The lists shall include the following information: (i) the unsecured claimant who submitted the Notice of Contract Rate of Interest; (ii) the asserted contractual rate of interest relating to the underlying Claim; and (iii) the amount of the underlying Claim. The Creditors' Committee and the Equity Committee shall provide the Debtors with at least two and no more than three persons that shall receive copies of each list.

The Debtors, the Creditors' Committee and/or the Equity Committee may dispute any Notice of Contract Rate of Interest by serving a written objection at any time before the Effective Date upon the holder of a General Unsecured Claim or Convenience Claim who has submitted a Notice of Contract Rate of Interest. For the avoidance of doubt, the rights to dispute any Notice of Contract Rate of Interest under these procedures shall only apply to the amount of postpetition interest owing to a particular holder of a General Unsecured Claim or Convenience Claim, and whether and the extent to which postpetition interest shall be paid to creditors in any class of claims shall be determined by the Plan to the extent that the Plan is confirmed and becomes effective.

After a written objection to a Notice of Contract Rate of Interest has been served, the Debtors (in accordance with the procedures described below) or the Reorganized Debtors, as the case may be, and the holder of the applicable General Unsecured Claim or Convenience Claim shall negotiate to resolve the objection. If a resolution is not reached, the holder of the General Unsecured Claim or Convenience Claim may request a hearing before the Bankruptcy Court to resolve the objection to its Notice of Contract Rate of Interest, *provided, however*, that such request must be made no later than 60 days after the Effective Date and that the only issue to be determined by the Bankruptcy Court at such a hearing shall be the appropriate amount of contract interest with respect to the General Unsecured Claim or Convenience Claim, which shall be paid on the first Distribution Date following a final order making such determination.

If the Debtors, Creditors' Committee and the Equity Committee do not dispute a Notice of Contract Rate of Interest by serving a written objection upon the holder of a General

Unsecured Claim or Convenience Claim who has submitted a Notice of Contract Rate of Interest, then the interest rate contained in the Notice of Contract Rate of Interest shall govern and be paid in accordance with the Plan.

The Debtors or the Reorganized Debtors, as the case may be, may settle any disputed Notice of Contract Rate of Interest pursuant to the following procedures:

- (a) The Debtors shall provide the Creditors' Committee and the Equity Committee with a list of any disputed Notices of Contract Rate of Interest sought to be resolved (the "**Proposed Resolved List**"), which shall identify, without limitation, the following information: (i) the unsecured claimant who submitted the disputed Notice of Contract Rate of Interest; (ii) the amount of the Claim; (iii) the asserted contractual rate of interest relating to the underlying Claim; (iv) the rate of interest agreed to by the claimant and the Debtors; and (v) any other information reasonably requested by the Creditors' Committee or the Equity Committee;
- (b) The Creditors' Committee and the Equity Committee shall provide the Debtors with at least two and no more than three persons that shall receive copies of a given Proposed Resolved List.
- (c) The Creditors' Committee and the Equity Committee shall have through 5:00 p.m. prevailing Eastern Time on the fourth business day after receipt of the Proposed Resolved List to review the Proposed Resolved List (the "**List Review Period**") and notify the Debtors of any issues (the "**Issues**") with respect to the resolution of any disputed Notice of Contract Rate of Interest; provided, that the Proposed Resolved List has less than 50 claimants and, to the extent such list has more than 50 claimants, the Creditors' Committee and the Equity Committee shall have for each set of additional claimants of up to 50 Claims, an additional two business days to review each such additional claimants such that the Creditors' Committee and the Equity Committee will not have to review more than 50 claimants in any two business day period;
- (d) If the Creditors' Committee or the Equity Committee does not notify the Debtors of any Issues by the expiration of the List Review Period, the Debtors shall be permitted to resolve the subject disputed Notice of Contract Rate of Interest;
- (e) If the Creditors' Committee or the Equity Committee raises any Issue with respect to any disputed Notice of Contract Interest Rate prior to the expiration of the List Review Period, however, the Debtors shall promptly provide the Creditors' Committee and the Equity Committee with documentation supporting the interest rate agreed to by the claimant and the Debtors (the "**Analysis**") and the Creditors' Committee and the Equity Committee will have through 5:00 p.m. prevailing Eastern Time on the second business day after receipt of the Analysis to conduct a supplemental review thereof (the "**Analysis Review Period**") and notify the Debtors as to whether the Issue still remains; and

- (f) If the Creditors' Committee or the Equity Committee has not consented to the resolution of any Notice of Contract Interest Rate by the expiration of the Analysis Review Period, the Debtors shall not resolve such Notice of Contract Interest Rate without further order of this Court.

To the extent that the Debtors, the Creditors' Committee or the Equity Committee object to a Notice of Contract Rate of Interest that relates to an Allowed General Unsecured Claim or Convenience Claim, the Debtors shall pay, on the date on which distributions would otherwise be required to be made under the Plan, the principal amount of the Allowed General Unsecured Claim or Convenience Claim to which such notice relates plus interest at the federal judgment rate as of the Petition Date, pending resolution of any dispute concerning the amount of contract rate of interest asserted in the Notice of Contract Rate of Interest. Interest shall not accrue with respect to any General Unsecured Claim or Convenience Claim after the Debtors have paid the principal amount of such Claim.