

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

-----X
In re : Chapter 11
: :
SOLUTIA INC., et al., : Case No. 03-17949 (PCB)
: :
Debtors. : (Jointly Administered)
: :
-----X

THIS PLAN APPLIES TO:

- | | |
|--|---|
| <input checked="" type="checkbox"/> All Debtors | <input type="checkbox"/> Axio Research Corporation |
| <input type="checkbox"/> Solutia Inc. | <input type="checkbox"/> Solutia Investments, LLC |
| <input type="checkbox"/> Solutia Business Enterprises Inc. | <input type="checkbox"/> Beamer Road Management Company |
| <input type="checkbox"/> Solutia Systems, Inc. | <input type="checkbox"/> Monchem, Inc. |
| <input type="checkbox"/> Solutia Overseas, Inc. | <input type="checkbox"/> Solutia Inter-America, Inc. |
| <input type="checkbox"/> CPFilms Inc. | <input type="checkbox"/> Solutia International Holding, LLC |
| <input type="checkbox"/> Solutia Management Company, Inc. | <input type="checkbox"/> Solutia Taiwan, Inc. |
| <input type="checkbox"/> Monchem International, Inc. | <input type="checkbox"/> Solutia Greater China, Inc. |

DEBTORS' FIFTH AMENDED JOINT PLAN OF REORGANIZATION

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Dated: October 15, 2007

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INTRODUCTION

Solutia Inc. (“Solutia”), together with its direct and indirect subsidiaries and its Affiliates Solutia Business Enterprises Inc., Solutia Systems, Inc., Solutia Overseas, Inc., CPFilms Inc. (“CPFilms”), Solutia Management Company, Inc., Monchem International, Inc., Axio Research Corporation, Solutia Investments, LLC, Beamer Road Management Company, Monchem, Inc., Solutia Inter-America, Inc., Solutia International Holding, LLC, Solutia Taiwan, Inc. and Solutia Greater China, Inc., as debtors and debtors in possession (collectively, the “Debtors”), propose this amended joint plan of reorganization (the “Plan”) for the resolution of the outstanding claims against, and equity interests in, the Debtors. The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code (as defined below). Reference is made to the Debtors’ disclosure statement, which was approved by the Bankruptcy Court on October [], 2007 (the “Disclosure Statement”), for a discussion of the Debtors’ history, businesses, results of operations, historical financial information, accomplishments during the Chapter 11 Cases (as defined below), projections and properties, and for a summary and analysis of this Plan and the settlements contemplated herein and the Plan Documents. There also are other agreements and documents, which are or will be filed with the Bankruptcy Court, that are referenced in this Plan or the Disclosure Statement.

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

As used in this Plan, capitalized terms have the meanings set forth below or in the Introduction above. Any terms that are not otherwise defined herein, but that are used in the Bankruptcy Code or the Bankruptcy Rules (each as defined below), will have the meaning ascribed to them in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

1. “**2027 Notes**” means the \$300 million in 7.375% unsecured public notes due October 15, 2027, issued by Solutia.

2. “**2037 Notes**” means the \$150 million in 6.72% unsecured public notes due October 15, 2037, issued by Solutia.

3. “**Abernathy Settlement Agreement**” means that certain settlement agreement, dated September 9, 2003, resolving the lawsuit captioned *Sabrina Abernathy v. Monsanto Company*, Civil Action No. CY-01-832 (Etowah County).

4. “**Ad Hoc Notes Committee**” means the *ad hoc* committee of Holders of the 2027 Notes and the 2037 Notes.

5. “**Ad Hoc Trade Committee**” means the *ad hoc* committee of Holders of trade claims in Solutia.

6. “**ACE Companies**” means, collectively, ACE American Insurance Company, Indemnity Insurance Company of North America, ACE Insurance Company of Puerto Rico, Pacific Employers Insurance Company, Insurance Company of North America, ESIS, Inc. (“ESIS”) and their respective affiliates.