

EQUITY PURCHASE PROCEDURES

1. Introduction

Each holder of at least 11 shares of common stock in Solutia Inc. (the “**Solutia Stock**”) as of November 8, 2007 (the “**Equity Purchase Record Date**”) (each, an “**Eligible Stockholder**”) has the right, but not the obligation, to purchase new common stock of reorganized Solutia in accordance with the terms of these procedures (the “**Equity Purchase Offering**”).¹ The shares of new common stock being offered through this Equity Purchase Offering will be registered with the Securities and Exchange Commission (the “**SEC**”) on Form S-1.

Each Eligible Stockholder shall be entitled to purchase up to its pro rata share of the 10,157,500 shares of new common stock (the “**Initial Rights**”) made available pursuant to this Equity Purchase Offering. Each Eligible Stockholder’s pro rata share will be based on the number of shares of Solutia Stock held by such Eligible Stockholder as of the Equity Purchase Record Date. The formula for calculating an Eligible Stockholder’s pro rata share is based on the following equation:

$$\begin{array}{rcccl} \text{(Number of shares of Solutia} & & & & \text{[Maximum number} \\ \text{Stock held as of the Equity Purchase} & \times & 0.09 & = & \text{of Initial Shares]} \\ \text{Record Date)} & & & & \text{(Round to the} \\ & & & & \text{Nearest Whole} \\ & & & & \text{Number)} \end{array}$$

After the Equity Purchase Record Date, each Eligible Stockholder will be sent an equity purchase exercise form (the “**Equity Purchase Form**”) and each nominee (a “**Nominee**”) representing beneficial owners will be sent a master equity purchase form (a “**Master Equity Purchase Form**”), with a copy of the prospectus, which forms a part of the Registration Statement filed with the SEC on Form S-1 dated October 5, 2007, which shall enable such Eligible Stockholder or Nominee (on behalf of the beneficial owners) to indicate a non-binding interest to purchase new common stock. The Equity Purchase Form or Master Equity Purchase Form shall contain related instructions for the proper completion, due execution, and timely delivery of the Equity Purchase Form by an Eligible Stockholder or a Nominee who is responding on behalf of beneficial owners to the Subscription Agent.

The Equity Purchase Form will further provide that the Eligible Stockholders may indicate the amount of additional rights (the “**Additional Rights**”) that they are interested in

¹ All capitalized terms used, but not defined herein, shall have the meanings ascribed to them in that certain Disclosure Statement, approved by the United States Bankruptcy Court for the Southern District of New York on October 19, 2007.

purchasing if fewer than all Eligible Stockholders exercise their Initial Rights (an “**Under-Subscription**”) as of the Expiration Date (as defined below). No Eligible Stockholder will be granted or allowed to exercise any fractional rights. In the event of an Under-Subscription, Eligible Stockholders that elect to purchase Additional Rights may purchase the number of additional shares of new common stock that they elect on their Equity Purchase Forms; provided, however, that in the event that Eligible Stockholders elect to exercise more Additional Rights than are available for all Eligible Stockholders electing to exercise Additional Rights, Eligible Stockholders will only be able to exercise their pro rata share of Additional Rights. The Initial Rights and the Additional Rights are collectively referred to herein as the “**Rights**.”

Each share of new common stock shall be sold for \$17.23 (the “**Equity Purchase Price**”). Any reference to a particular Eligible Stockholder’s “**Total Exercise Price**” shall mean the Equity Purchase Price multiplied by the number of shares of new common stock such Eligible Stockholder elected to purchase and was awarded.

“**Subscription Agent**” means Financial Balloting Group LLC, in its capacity as such.

Notwithstanding anything contained in the Plan to the contrary, under no circumstances shall any holder of an equity interest that is not entitled to vote on the Plan pursuant to the Disclosure Statement Order have any right to participate in the Equity Purchase Offering.

Before exercising any Rights, Eligible Stockholders should read the Disclosure Statement, including the section entitled, “Risks Related to Solutia’s Business and Industry” and the valuation of the Reorganized Debtors contained therein.

A written prospectus for the offering may be obtained from Financial Balloting Group, LLC, 757 Third Avenue, 3rd Floor, New York, NY 10017 or at www.fbgdocuments.com/soi.

2. Commencement/Expiration of the Equity Purchase Offering

The Equity Purchase Offering shall commence on November 12, 2007, the day upon which the Equity Purchase Forms are mailed to Eligible Stockholders (the “**Commencement Date**”). The Equity Purchase Offering shall expire on December 6, 2007 (the “**Expiration Date**”). Each Eligible Stockholder intending to participate in the Equity Purchase Offering must affirmatively indicate an interest to exercise its Rights on or prior to the Expiration Date in accordance with the procedures set forth herein.

As promptly as practicable following the Expiration Date, Solutia shall deliver, or cause to be delivered, to each Eligible Stockholder or, in the case of those Eligible Stockholders whose shares are held through a bank, broker or other nominee that has sought to exercise Rights, to such banker broker or other nominee, a written statement specifying the Rights that were validly and effectively exercised by such Eligible Stockholder.

3. Exercise of Rights

Exercise of Rights and Payment for Rights

- A) For those Eligible Stockholders holding shares of Solutia Stock in their own name:

- (i) Each Eligible Stockholder that intends to exercise its Rights shall designate such intention on its Equity Purchase Form and such designation shall be non-binding. In addition, any Eligible Stockholder that exercises all of its Initial Rights may indicate on its Equity Purchase Form how many additional shares of new common stock such Eligible Stockholder wishes to purchase through the exercise of Additional Rights. If any Eligible Stockholder fails to deliver a duly completed Equity Purchase Form so that such form is actually received by the Subscription Agent on or before the Expiration Date, such Eligible Stockholder shall be deemed to have relinquished and waived its Rights.
 - (ii) Following the receipt of each Equity Purchase Form, Solutia will create an invoice (the “**Subscription Invoice**”) indicating the number of shares subscribed for by the participating Eligible Stockholder, the total exercise price to be paid therefor and the payment instructions. As soon as practicable after the Registration Statement filed with the SEC on Form S-1 is declared “effective” by the SEC, Solutia will send the Subscription Invoice to the participating Eligible Stockholder.
 - (iii) Upon receipt of the Subscription Invoice with the Total Exercise Price listed, to receive the subscribed for shares of new common stock, each Eligible Stockholder must arrange for payment of the Total Exercise Price to the subscription account, either by wire transfer or by certified bank or cashier’s check delivered to the Subscription Agent to be received on or prior to the payment deadline (the “**Payment Deadline**”), which shall be approximately ten calendar days after the Subscription Invoice is sent. If the Subscription Agent for any reason does not timely receive from or on behalf of the participating Eligible Stockholder immediately available funds by wire transfer or bank cashier’s check in an amount equal to the Total Exercise Price for such Eligible Stockholder, such Eligible Stockholder shall be deemed to have relinquished and waived its Rights.
- B) For those Eligible Stockholders holding shares of Solutia Stock through a Nominee:
- (i) To exercise its Rights, such holder must provide instructions to its bank, broker, or other nominee or agent. The bank, broker, or other nominee or agent, in turn, must then convey the instruction to the Subscription Agent on or before the Expiration Date.
 - (ii) Following the receipt of each Equity Purchase Form, Solutia will create a Subscription Invoice indicating the number of shares subscribed for by the participating Eligible Stockholder, the total exercise price to be paid therefor and the payment instructions. As soon as practicable after the Registration Statement filed with the SEC on Form S-1 is declared “effective” by the SEC, Solutia will send the Subscription Invoice to the participating Eligible Stockholder’s Nominee.

- (iii) Upon receipt of the Subscription Invoice with the Total Exercise Price listed, each Eligible Stockholder (or its Nominee) must pay the Total Exercise Price either by wire transfer in accordance with the wire instructions set forth on the Equity Purchase Form, or by certified bank or cashier's check delivered to the Subscription Agent to be received on or prior to the Payment Deadline, which shall be approximately ten calendar days after the Subscription Invoice is sent. If the Subscription Agent for any reason does not timely receive from or on behalf of the participating Eligible Stockholder immediately available funds by wire transfer or bank cashier's check in an amount equal to the Total Exercise Price for such Eligible Stockholder, such Eligible Stockholder shall be deemed to have relinquished and waived its Rights.

If the Subscription Agent for any reason does not receive from an Eligible Stockholder (or its Nominee) a duly completed Equity Purchase Form or Master Equity Purchase Form on or prior to the Expiration Date then each such Eligible Stockholder shall be deemed to have relinquished and waived its right to participate in the Equity Purchase Offering. Each Eligible Stockholder intending to participate in the Equity Purchase Offering must affirmatively indicate an interest to exercise its Rights by the Expiration Date.

To facilitate the exercise of Rights for holders of Solutia Stock held through a Nominee, on the Commencement Date, Solutia will deliver Equity Purchase Forms to the record holders of such interests, including, without limitation, brokers, banks, dealers, or other agents or Nominees. Each Nominee will be entitled to receive sufficient copies of the Equity Purchase Form for distribution to the beneficial owners of the equity interests for whom they serve as Nominees. The Nominees may use the Equity Purchase Form provided or such other form as they may customarily use for the purpose of obtaining instructions with respect to the Equity Purchase Offering. Nominees will be required to submit the instructions of any beneficial owners wishing to subscribe on a Master Equity Purchase Form.

Disputes, Waivers, and Extensions

Any and all disputes concerning the timeliness, viability, form and eligibility of any exercise of Rights shall be addressed in good faith by Solutia, in consultation with the Equity Committee and Monsanto, and subject to a final determination by the Bankruptcy Court, whose determinations shall be final and binding. Solutia, in consultation with the Equity Committee and Monsanto and subject to Bankruptcy Court approval, may seek to waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine in good faith to be appropriate, or reject the purported exercise of any Rights. Subscription instructions shall be deemed not to have been properly completed until all irregularities have been waived or cured within such time as Solutia determines in its discretion reasonably exercised in good faith. Solutia reserves the right, but is under no obligation, to give notice to any Eligible Stockholder regarding any defect or irregularity in connection with any purported exercise of Rights by such Eligible Stockholder and Solutia may, but is under no obligation to, permit such defect or irregularity to be cured within such time as they may determine in good faith, in consultation with the Equity Committee and Monsanto and subject to Bankruptcy Court approval, to be appropriate; provided, however, that Solutia, the Subscription

Agent, the Equity Committee and Monsanto shall not incur any liability for failure to give such notification.

Solutia, in consultation with the Equity Committee and Monsanto, subject to the approval of the Bankruptcy Court, may extend the duration of the Equity Purchase Offering or adopt additional detailed procedures to more efficiently administer the distribution and exercise of the Rights.

Funds

The payments made in accordance with the Rights Offering (the “**Equity Purchase Funds**”) shall be deposited when made and held by the Subscription Agent in escrow pending the Effective Date in an account or accounts (a) which shall be separate and apart from the Subscription Agent’s general operating funds and any other funds subject to any lien or any cash collateral arrangements and (b) which segregated account or accounts will be maintained for the purpose of holding the money for administration of the Rights Offering and the Equity Purchase Offering until the Effective Date. The Subscription Agent shall not use the Equity Purchase Offering Funds for any purpose other than to release the funds as directed by Solutia on the Effective Date and shall not encumber or permit the Equity Purchase Offering Funds to be encumbered by any lien or similar encumbrance.

Issuance of New Common Stock

If an Eligible Stockholder properly exercises its Rights pursuant to the terms of this Equity Purchase Procedures, such holder shall be deemed to own the shares of new common stock immediately on the effective date of the Plan. Any shares of new common stock purchased by an Eligible Stockholder that holds shares through a broker or bank will be delivered electronically to the broker or bank. No share certificates will be issued. Instead, an Eligible Stockholder’s purchase of new common stock will be recorded on Solutia’s books and records as maintained by Solutia’s transfer agent.

Waiver

Each Eligible Shareholder that participates in the Equity Purchase Offering shall be deemed, by virtue of such participation, to have waived and released, to the fullest extent permitted under applicable law, all rights, claims or causes of action against Solutia, Reorganized Solutia and each of their respective subsidiaries and affiliates, the Creditors’ Committee, the Equity Committee, Monsanto and the Subscription Agent arising out of or related to the receipt, delivery, disbursements, calculations, transmission, or segregation of cash, Rights and shares of new common stock in connection with the Equity Purchase Offering.

4. Transfer Restriction; Revocation

The Rights are not transferable independently of the underlying equity interests, from which such Rights arise. Rights may only be exercised by or through the Eligible Stockholder entitled to exercise such Rights on the Equity Purchase Record Date. Any such independent transfer or attempted transfer of the Rights will be null and void and Solutia will not treat any purported transferee as the holder of any Rights. Once the Eligible Stockholder has properly

exercised its Rights, such exercise will not be permitted to be revoked by such Eligible Stockholder.

5. Inquiries And Transmittal Of Documents; Subscription Agent

The exercise instructions contained in the Equity Purchase Form should be carefully read and strictly followed.

Questions relating to the Equity Purchase Offering should be directed to the Subscription Agent at the following phone number:

Financial Balloting Group LLC
(800) 809-3247

The risk of non-delivery of all documents and payments is on the Eligible Stockholders electing to exercise their Rights, and not on Solutia or the Subscription Agent. If mail is used, it is recommended that a reputable overnight courier or insured registered mail be used and that a sufficient number of days be allowed to ensure delivery to the Subscription Agent before the Expiration Date.

6. Equity Purchase Offering Conditioned Upon Confirmation of the Plan; Reservation of Rights

All exercises of Rights are subject to and conditioned upon the confirmation of the Plan and the occurrence of the effective date of the Plan. Notwithstanding anything contained herein, the Disclosure Statement or the Plan to the contrary, Solutia and Reorganized Solutia and each of their respective subsidiaries and affiliates reserve the right, in consultation with the Equity Committee and Monsanto, to modify these Equity Purchase Procedures in order to comply with applicable laws.

