CROMPTON CORP
Form 11-K
June 27, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

[X] Annual Report pursuant to Section 15 (d) of the Securities Exchange Act of 1934

For the calendar year ended December 31, 2001

OR

[ ] Transition report pursuant to Section 15 (d) of the Securities Exchange Act of 1934

For the transition period from ________ to _________

Commission file number 0-30270

A. Full title of the Plan and the address of the Plan, if different from that of the issuer named below:

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A
BENSON ROAD
MIDDLEBURY, CT 06749

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office:

Crompton Corporation
One American Lane
Greenwich, Connecticut 06831

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A

Index to Financial Statements

UNIROYAL CHEMICAL COMPANY, INC.

SAVINGS PLAN A

Financial Statements and Supplemental Schedules

December 31, 2001 and 2000

(With Independent Auditors' Report Thereon)

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A

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Independent Auditors' Report

The Board of Directors
Crompton Corporation:

We have audited the accompanying statements of net assets available for plan benefits of Uniroyal Chemical Company, Inc. Savings Plan A (the "Plan") as of December 31, 2001 and 2000, and the related statements of changes in net assets available for plan benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2001 and 2000, and the changes in net assets available for plan benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) and schedule of reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/KPMG LLP
Stamford, Connecticut
June 14, 2002

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A
STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
AS OF DECEMBER 31, 2001 and 2000

	2001	2000
ASSETS:		
Investments:		
Guaranteed investment contracts	$ 0	$ 698,072
Short-term investment fund	0	1,519,603
Investments in registered investment companies	3,547,607	3,687,621
Investments in common/collective trusts	3,618,930	2,419,468
Common stock of Crompton Corporation	225,637	233,085
Loans receivable from participants	136,475	280,417
	7,528,649	8,838,266
Contributions receivable from participants	20,871	37,897
Contribution receivable from Uniroyal Chemical Company, Inc.	1,928	2,442
Total assets	7,551,448	8,878,605
LIABILITIES:		
Administrative expenses payable	20,354	21,088
Net assets available for plan benefits	$7,531,094	$8,857,517

See accompanying notes to financial statements

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2001 and 2000

	2001	2000
Additions		
Additions to net assets attributed to:		
Interest and dividend income	$ 331,671	$ 643,316
Contributions:		
Employer	29,246	33,410
Participants	578,572	653,130
Total additions	939,489	1,329,856
Deductions		
Deductions from net assets attributed to:		
Net (depreciation) in fair value of investments	(360,070)	(398,631)
Benefits paid to participants	(1,861,148)	(2,410,743)
Administrative expenses	(44,694)	(45,937)
Total deductions	(2,265,912)	(2,855,311)
Net decrease	(1,326,423)	(1,525,455)

Net assets available for plan benefits at beginning of year	8,857,517	10,382,972
Net assets available for plan benefits at end of year	$7,531,094	$8,857,517

See accompanying notes to financial statements

UNIROYAL CHEMICAL COMPANY, INC
SAVINGS PLAN A
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 and 2000

1. Plan Description

The Uniroyal Chemical Company, Inc. Savings Plan A (the "Plan") is a defined contribution plan established on October 15, 1986 and amended and restated effective September 1, 1997 to provide a means for eligible employees to supplement their retirement income. Participants receive retirement payments as of their retirement date by electing one of several payment options as specified in the Plan. The following description of the Plan provides only general information. For complete information, see the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The Plan is administered by the Employee Benefits Committee consisting of persons appointed by the Board of Directors of Crompton Corporation (the "Company").

The Plan covers all hourly-rate and salaried employees represented by a collective bargaining agent at the Company's plants or other locations or hourly-rate employees not represented by a collective bargaining agent at a Company plant or location to which the Company's Plan has been extended.

Company Contributions

Contributions by the Company are made monthly for each hour for which the participant receives pay from the Company, including 40 hours for each week of vacation eligibility. In addition, the Company will contribute, based upon 40 hours, for any period of absence during which the participant accrues credited service. The rate of contribution per hour is in accordance with the following schedule:

Years of Service	Rate Per Hour
0-14	$.05
15-24	.12
25+	.18

The Plan provides that, except in certain specified events, Company contributions credited to a participant account are not vested until the completion of three years of service.

Thereafter, all Company contributions are immediately vested.

Participant Contributions

Each participant may contribute an amount not to exceed 15% of eligible compensation for each Plan year. Participant contributions are treated as pre-tax contributions and are made by payroll deductions. Participant contributions are subject to Internal Revenue Service limitations, which were $10,500 in 2001 and 2000.

Employee Accounts

The Vanguard Funds are maintained by the Vanguard Investment Group and as the record keeper for participant contributions, also maintains, for each participant who elects to make voluntary contributions, a "Voluntary Deferred Contributions Account" showing the amount of participant contributions in various Vanguard Funds.

Expenses

Expenses incurred are paid by the Plan, except to the extent that the Company shall provide for such payment. The Company provides administrative and accounting services for the Plan at no charge.

Loans

The Plan permits participants to borrow funds from their Voluntary Deferred Contributions Account, subject to certain restrictions. The minimum amount that may be borrowed is $1,000. The maximum amount that may be borrowed is the lesser of $50,000 reduced by the greater of (a) the outstanding balance of loans from the Plan to the participant on the date the loan is made, or (b) the highest outstanding balance of loans from the Plan to the participant during the one-year period ending on the day before the date the loan is made (excluding any payments made) or 50% of the value of the participant's vested interest under the Plan on the date the loan is made or the amount of the participant's voluntary deferred account not invested in the Crompton Corporation Common Stock Fund. Loans bear interest at a rate equal to 1.0% above the prime rate. Loans are payable within five years, except for those used to acquire a principal residence which are payable within 15 years.

Investments

Employer contributions are invested in the Retirement Savings Trust Fund ("Trust Fund") maintained by the Vanguard Investment Group. Participant contributions are invested in mutual funds maintained by the Vanguard Investment Group.

The guaranteed investment contracts held by State Street at August 31, 1997 were held to maturity and invested in short term investment funds. These funds were transferred to and invested in the Vanguard mutual funds in five annual installments with the initial payment made on December 31, 1997 and the last payment made on August 31, 2001. The Company contribution portion of each installment payment was invested in the Retirement Savings Trust Fund. The balance of each participant's transfer was invested in the same ratio as the participant's then current voluntary contribution allocation. Voluntary deferred contributions currently not being made by the participant was invested in the Retirement Savings Trust Fund.

Withdrawals and Forfeitures
A participant may withdraw in whole or in part, subject to a 90% maximum on partial withdrawals, his or her voluntary contributions account at any time, provided that each withdrawal is separated by a period of six months.

In the event a participant's employment with the Company is terminated because of retirement or death, the participant or a designated beneficiary shall receive payment of his or her benefit account balance. At December 31, 2001 and 2000, benefit payments due participants who terminated employment with the Company prior to year-end and requested distributions of their accounts totaled $180,767 and $315,411, respectively. These amounts have not been recorded in the financial statements but are included as benefit payments and liabilities in the Form 5500 of the Plan.

Forfeitures, consisting of Company contributions credited to the Company Basic Contribution Account applicable to participants who terminate from the Plan while not vested, are valued at the employee's share of the cost of the Plan's investment plus accrued interest thereon. These amounts are applied to reduce the Company's current obligation to contribute to the Plan. There were no forfeitures in 2001 and 2000.

2. Significant Accounting Policies
Basis of Presentation
The accompanying financial statements have been prepared on the accrual basis of accounting.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires the Plan to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported changes in net assets available for plan benefits during the reporting period. Actual results could differ from those estimates.

Payment of Benefits
Benefits are recorded when paid.

3. Investments
Short Term Investment Fund
The Short-term Investment Fund is valued at cost plus accrued interest. The carrying amount approximates fair value because of the short maturity of those instruments. The aggregate yield for these investments at the end of 2000 was 6.4%.

Guaranteed Investment Contracts
The guaranteed investment contracts with various insurance companies are valued at contract value that approximates fair value. Such investments earned interest at rates ranging from 6.32% to 7.07% during 2000.

Mutual Funds
The mutual funds sponsored by registered investment companies are recorded at market value based on published market

prices.

Crompton Corporation Stock Fund
The Crompton Corporation Stock Fund is valued at its year-end closing price (comprised of year-end market price plus uninvested cash position).

Loans Receivable
The loan receivables from participants are valued at cost plus accrued interest, which approximates fair value.

Income Recognition
Net appreciation (depreciation) in fair value of investments includes investments bought, sold and held during the year. Purchases and sales of securities are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income.

4. Investments Exceeding 5% of Net Assets
The Plan's investments exceeding 5% of net assets available for plan benefits as of December 31, 2001 and 2000 are as follows:

Description of Investment	2001	2000
Short-term Investment Fund	$ 0	$1,519,603
Guaranteed Investment Contracts	0	698,072
Vanguard Retirement Savings Trust	3,618,930	2,419,468
Vanguard 500 Index Fund	1,129,207	1,235,016
Vanguard Windsor Fund	993,453	981,643
Vanguard Morgan Growth Fund	585,404	635,189

Appreciation/(Depreciation) in Investments
During 2001 and 2000, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated/(depreciated) in value as follows:

	2001	2000
Investments in Registered Investment Companies	($320,260)	($358,874)
Common Stock of Crompton Corporation	(39,810)	(39,757)
	($360,070)	($398,631)

5. Tax Status
The Internal Revenue Service ("IRS") has determined and has informed the Company by a letter dated June 12, 1995 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. The Company applied for a new tax determination letter in December, 2001 and is awaiting response from the IRS.

6. Parties-in-Interest
   The Chase Bank, AON Consulting, State Street Bank and Trust Company, The Vanguard Investment Group, and the Company are parties-in-interest as defined in Section 3(14) of ERISA. During the years 2001 and 2000, there were no prohibited party-in-interest transactions.

7. Priorities Upon Termination of the Plan
   The Board of Directors of the Company shall have the right from time to time to add to, modify or amend the Plan, and the Board of Directors shall have the right to terminate the Plan. The Board of Directors may also authorize the inclusion in any contract entered into by the Company with the union or unions representing employees, or with any group or groups of employees, of a provision or provisions having the effect of limiting or foregoing any such rights. Further, no addition to, modification, amendment or termination of the Plan shall have the effect of reducing the entitlement of any participant's benefit accrued under the Plan or of diverting any part of the assets of the Trust Fund for purposes other than provided in the Plan.

   Upon any termination of the Plan or complete and permanent discontinuance of contributions of all participants, the entitlement of each participant's Company Basic Contributions Account, if not already vested, shall vest fully and all amounts in all accounts of each participant shall be delivered and paid as soon as practicable.

8. Subsequent Event - Plan Merger
   Effective April 1, 2002, the Uniroyal Chemical Company, Inc. Savings Plan A, was merged into the Crompton Employee Savings Plan. Fidelity Investments is the trustee and record keeper of the Crompton Employee Savings Plan. The provisions of the Plan as a result of this merger have remained unchanged. All assets have been transferred to similar funds as of the date of transfer.

Schedule H, Line 4i

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2001

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Current Value
Vanguard Trust Company	Explorer Fund	$ 181,676
Vanguard Trust Company	Long Term Corporate Fund	129,736
Vanguard Trust Company	500 Index Fund	1,129,207

Vanguard Trust Company	International Growth Fund	158,343
Vanguard Trust Company	Prime Money Market Fund	130,919
Vanguard Trust Company	Star Fund	238,869
Vanguard Trust Company	Morgan Growth Fund	585,404
Vanguard Trust Company	Windsor Fund	993,453
Vanguard Trust Company	Retirement Savings Trust	3,618,930
Crompton Corporation	Common Stock	225,637
		7,392,174
Loans receivable from participants	Loans earn interest at the prime rate plus 1%	136,475
	TOTAL INVESTMENTS	$7,528,649

Party in-Interest - All parties listed above

See accompanying independent auditors' report.

Schedule H, Line 4j

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A
SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2001

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Net Gain (Loss)
Series of Transactions:					
Vanguard Trust Company	Vanguard Retirement Savings Trust	$1,964,250	$ -	$1,964,250	$ -
Vanguard Trust Company	Vanguard Retirement Savings Trust	$ -	$764,788	$ 764,788	$ -

See accompanying independent auditors' report.

SIGNATURE

The Plan. Pursuant to the requirements of the Securities and Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

UNIROYAL CHEMICAL COMPANY, INC.
SAVINGS PLAN A

Date: June 27, 2002

By:/s/Peter Barna
Peter Barna
Senior Vice President &
Chief Financial Officer