

**Report of Material Event to Holders of**  
**\$765,000,000 Principal Amount of**  
**9 3/4% Senior Notes Due 2014**  
**€275,000,000 Principal Amount of**  
**9% Senior Notes Due 2014**  
**\$300,000,000 Principal Amount of**  
**10 1/8%/10 7/8% Senior Toggle Notes Due 2014**  
**and**  
**\$500,000,000 Principal Amount of**  
**11 1/2% Senior Subordinated Notes Due 2016**

**Prepared Pursuant to Section 4.02**  
**of the Indentures governing the**  
**9 3/4% Senior Notes Due 2014,**  
**9% Senior Notes Due 2014**  
**10 1/8%/10 7/8% Senior Toggle Notes Due 2014**  
**and**  
**11 1/2% Senior Subordinated Notes Due 2016**  
**dated December 4, 2006**

**Among Momentive Performance Materials Inc., as Issuer,**  
**the Guarantors named therein,**  
**and Wells Fargo Bank, as Trustee and Bank of New York, as paying agent**

**Dated: April 13, 2007**

On April 9, 2007, Momentive Performance Japan GK, a Japan subsidiary of Momentive Performance Materials Holdings Inc. (Momentive) and Zhejiang Xin An Chemical Industrial Group, a company organized under the laws of the PRC (Xinan) signed an agreement (Agreement) to create a joint venture for the construction and operation of a siloxane manufacturing facility in Jiande, Zhejiang province, China (Company). The shares of the joint venture company for Xinan and Momentive will be 51% and 49%, respectively, and the total registered capital of the venture is \$40 million. The Agreement includes governance and other terms commonly found in comparable manufacturing joint venture arrangements. Annual production of the facility will be approximately 50,000 metric tons of siloxane or approximately 100,000 metric tons of silane products. The Company will sublicense process technology from Xinan that is licensed from Momentive. Products produced at the facility will be sold to the joint venture partners in the respective shares of the partners.

The parties to the Agreement have also committed to enter into additional agreements with the Company, including product off-take, raw materials and utility supply and support services agreements, and a land transfer agreement.

A copy of this statement is posted on our website at [www.momentive.com](http://www.momentive.com)

SIGNATURES

This report has been signed below by the following persons on behalf of Momentive Performance Materials Inc. and in the capacities and on the dates indicated.

April 13, 2007


Momentive Performance Materials Inc.



By: /S/ Wayne Hewett

Wayne Hewett  
President and Chief Executive Officer

April 13, 2007



By: /S/ Steven Delarge

Steven Delarge  
Chief Financial Officer