

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In the Matter of)	
)	
The Dow Chemical Company,)	
a corporation, and)	File No. 991-0301
)	
Union Carbide Corporation,)	
a corporation.)	

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission ("Commission"), having initiated an investigation of the acquisition by The Dow Chemical Company ("Dow") of the voting securities of Union Carbide Corporation ("Union Carbide"), collectively hereinafter sometimes referred to as "Proposed Respondents," and it now appearing that Proposed Respondents are willing to enter into this Agreement Containing Consent Orders ("Consent Agreement") to divest certain assets, and providing for other relief:

IT IS HEREBY AGREED by and between Proposed Respondents, by their duly authorized officers and attorneys, and counsel for the Commission that:

1. Proposed Respondent The Dow Chemical Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware with its principal executive offices located at 2030 Dow Center, Midland, Michigan 48674.
2. Proposed Respondent Union Carbide Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal executive offices located at 39 Old Ridgebury Road, Danbury, Connecticut 06817. Union Carbide Corporation owns a 50-percent interest in Univation Technologies, LLC ("Univation").
3. Terms defined in the Decision and Order shall have the same meanings when used in this Consent Agreement.
4. Proposed Respondents admit all the jurisdictional facts set forth in the draft of Complaint provided to them.
5. Proposed Respondents waive:
 - a. any further procedural steps;

- b. the requirement that the Commission's Decision and Order and Order to Maintain Assets, here attached and made a part hereof, contain a statement of findings of fact and conclusions of law;
 - c. all rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order and Order to Maintain Assets entered pursuant to this Consent Agreement; and
 - d. any claim under the Equal Access to Justice Act.
6. Proposed Respondents shall submit an initial report signed by the Proposed Respondents, within thirty (30) days of the date they execute this Consent Agreement, pursuant to Section 2.33 of the Commission's Rules, 16 C.F.R. §§ 2.33, setting forth in detail the manner in which Proposed Respondents have complied, are complying, and will comply with the Decision and Order and Order to Maintain Assets. Such reports will not become part of the public record unless and until this Consent Agreement is accepted by the Commission for public comment.
7. Because there may be interim competitive harm, and divestiture or other relief resulting from a proceeding challenging the legality of the proposed merger may not be possible, or may be less than an effective remedy, the Commission may issue its Complaint and an Order to Maintain Assets in this matter at any time after it accepts the Consent Agreement for public comment.
8. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Consent Agreement is accepted by the Commission it, together with the Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify Proposed Respondents, in which event it will take such action as it may consider appropriate, or issue or amend its Complaint (as the circumstances may require) and issue its Decision and Order, in disposition of the proceeding.
9. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the draft of Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
10. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (1) issue and serve its Complaint corresponding in form and substance with the draft of Complaint here attached, (2) issue and serve its Order to Maintain Assets, and (3) make information public with respect thereto. If such acceptance is not

subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondents, issue the attached Decision and Order, in disposition of this proceeding.

11. When final, the Decision and Order and Order to Maintain Assets shall have the same force and effect, and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order and Order to Maintain Assets shall become final upon service. Delivery by the United States Postal Service of the Complaint, Decision and Order, and Order to Maintain Assets to Proposed Respondents, to the attention of the Office of General Counsel, at the addresses specified in this Consent Agreement shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. The Complaint may be used in construing the terms of the Decision and Order and Order to Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, Order to Maintain Assets, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Order to Maintain Assets.
12. By signing this Consent Agreement, Proposed Respondents represent and warrant that they can comply with the provisions of the attached Decision and Order and the Order to

- d. that each patent or patent application listed on Confidential Appendix H to the Decision and Order constitutes a Dow Metallocene Background Patents Requiring Third Party Consent and Appendix H is the result of Dow's reasonable and good faith effort to list all Dow Metallocene Background Patents Requiring Third Party Consent; and
 - e. that Dow is free to convey to BP (i) the Mitsui License Agreement Patent Rights and (ii) the Asahi Agreements Patent Rights.
13. In addition to the warranties expressed in Paragraph 12 above, Proposed Respondents further warrant:
- a. that the Supplemental Univation Patent Rights are rights conveyed to Proposed Respondents by Exxon Mobil and Univation for the purpose of conveying such rights to BP, pursuant to the Univation Reorganization Agreement, dated December 4, 2000, by Exxon Mobil, Dow, Union Carbide and Univation, and any amendments or supplemental agreements thereto; and
 - b. that Proposed Respondents have the authority to convey all Supplemental Univation Patent Rights and all Univation Settlement Patent Rights to BP free and clear of any encumbrances, contractual commitments or obligations to Proposed Respondents or to a third party other than grants of intellectual property from BP to Univation to which BP has agreed and the obligations BP has accepted under the Univation Settlement Agreement.
14. Proposed Respondents have read the Complaint, Decision and Order, and Order to Maintain Assets contemplated hereby. Proposed Respondents understand that once the Decision and Order and Order to Maintain Assets has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the orders. Proposed Respondents agree to comply with the terms of the Decision and Order and Order to Maintain Assets from the date they sign this Consent Agreement. Proposed Respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and Order to Maintain Assets after they become final.

15. If the Commission accepts the Consent Agreement for public comment, it will excuse Proposed Respondents from their obligation to comply with all outstanding information requests and terminate the waiting period established by Section 7A of the Clayton Act, 15 U.S.C. § 18a with respect to the Acquisition.

Signed this _____ day of January, 2001.

THE DOW CHEMICAL COMPANY

Michael D. Parker, President and
Chief Executive Officer,
The Dow Chemical Company

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UNION CARBIDE CORPORATION

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FEDERAL TRADE COMMISSION

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By: _____
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