

COPY

UNITED STATES OF AMERICA

independently with Celanese AG ("Celanese") a wholly-owned specialty chemicals subsidiary

of Hoechst that was to be spun off as an independent company prior to the Aventis merger. Former shareholders of Hoechst, including the Kuwait Petroleum Company ("KPC"), were to receive shares of both Aventis and Celanese as a result of the transaction. The Commission's sole concern in this respect was that KPC could use its controlling interest in Celanese and its working control of Aventis to coordinate the activities of Celanese and, through Aventis, of Rhodia. See *In re Hoechst AG* (Docket No. C-3919), Analysis of Proposed Order to Aid Public Comment at 1-2 (December 1999) ("Analysis") attached hereto as Exhibit 2. See also *In re*

Hoechst AG (Docket No. C-3919), Order Denying and Modifying Order at 4 (January 27

0 In November 1999, the Commission furnished PD and Hoehbet with a

copy of a draft complaint which the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would have charged PD and Hoehbet with a violation of Section 5 of the Federal Trade Commission Act.

12 Paragraph VI.D of the Order, as amended, provides that “By April 22,

2005, or six (6) months from the end of the note exchange period described in the Form D-2

Respondents shall have reduced their holdings in Rhodia to five (5) percent or less of Rhodia’s issued and outstanding voting securities.” Order ¶ VI.D (as modified by the Commission on November 22, 2002 and January 27, 2004).

12 To ensure that Rhodia would be able to operate in Japan during the period that

unlikely that any noteholders would exchange their notes for shares in accordance with the plan. Accordingly, Respondent was concerned that it would have only a six-month window in which to divest itself of a very large number of Rhodia shares, and that this would have a deleterious

effect on Rhodia. The Commission granted Respondent's Request to Dismiss on 12/1/03.

Order: 12/1/03. Dismissed with prejudice. 12/1/03.

22. The Commission also granted Respondent's request to extend the deadline to divest the securities for 12 months, until April 22, 2005. This extension was necessary to accommodate Rhodia's urgent financial restructuring, which was scheduled for the second quarter of 2004. Divesting Respondent's remaining shares prior to the April 2004 deadline

would likely interfere with the restructuring plan and possibly endanger its implementation.

AG ... took effect and will be consummated in accordance with the terms of the offer document and the amendment to the takeover offer." See Publication of BCP Crystal Acquisition GmbH & Co. KG Pursuant to Section 23 of the German Securities Acquisition and Takeover Act, April 3,

27. In accordance with the December 15, 2003 agreement, KPC transferred all

shareholder registry on April 5, 2004. See Celanese Letter at 1. Thus, KPC no longer has any legal or economic interest in Celanese.

28. As a result of the successful tender offer, Blackstone (through BCP) now holds over 84% of the outstanding shares in Celanese. Celanese has recently announced that it intends to hold an extraordinary general meeting seeking approval of a domination and profit

2004 Rhodia announced that it had signed an agreement with investors to list on the NYSE.

2004

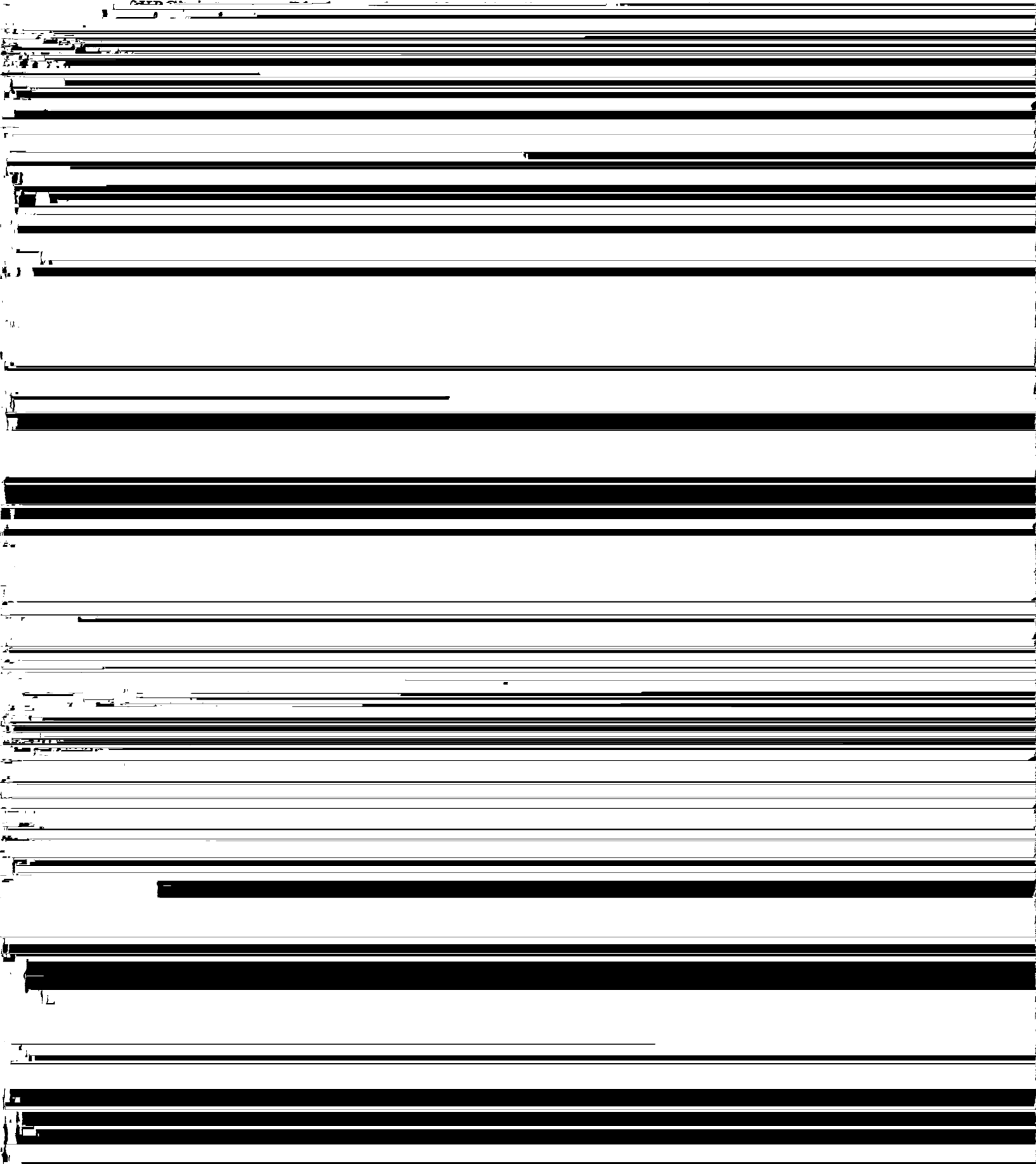
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extent of the modification." In re Sten and Shen Companies, Inc. (Decket No. C-2640). Order

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39. The takeover of Celanese by Blackstone and the associated transfer of all



42. Given these circumstances, the forced sale of Rhodia's shares by one of its principal shareholders, Aventis, has the potential to erode Rhodia's already low stock price and could interfere with the company's restructuring plan that is needed for its future competitive viability. *Id.*

III. CONCLUSION

~~42. For the reasons listed above, Defendant requests that the Commission~~

Commission Reopen and set aside those portions of the Order pertaining to Rhodia. Such a modification is required due to an unforeseen, material change in facts that effectively remedies the competitive concern that was the basis for the Order. Moreover, requiring Aventis to

their reports copies of all written communications to and from such parties, all internal memoranda, and all reports and recommendations concerning completing the obligations. After completing the obligations required under Paragraphs II.B. through II.G. and Paragraphs VI.A. of this Order, Respondents shall submit reports, setting forth in detail the manner and form in which they intend to comply, are complying, and have complied with the Order, every year beginning on the anniversary of the date this Order became final until and including the tenth anniversary date of this Order.

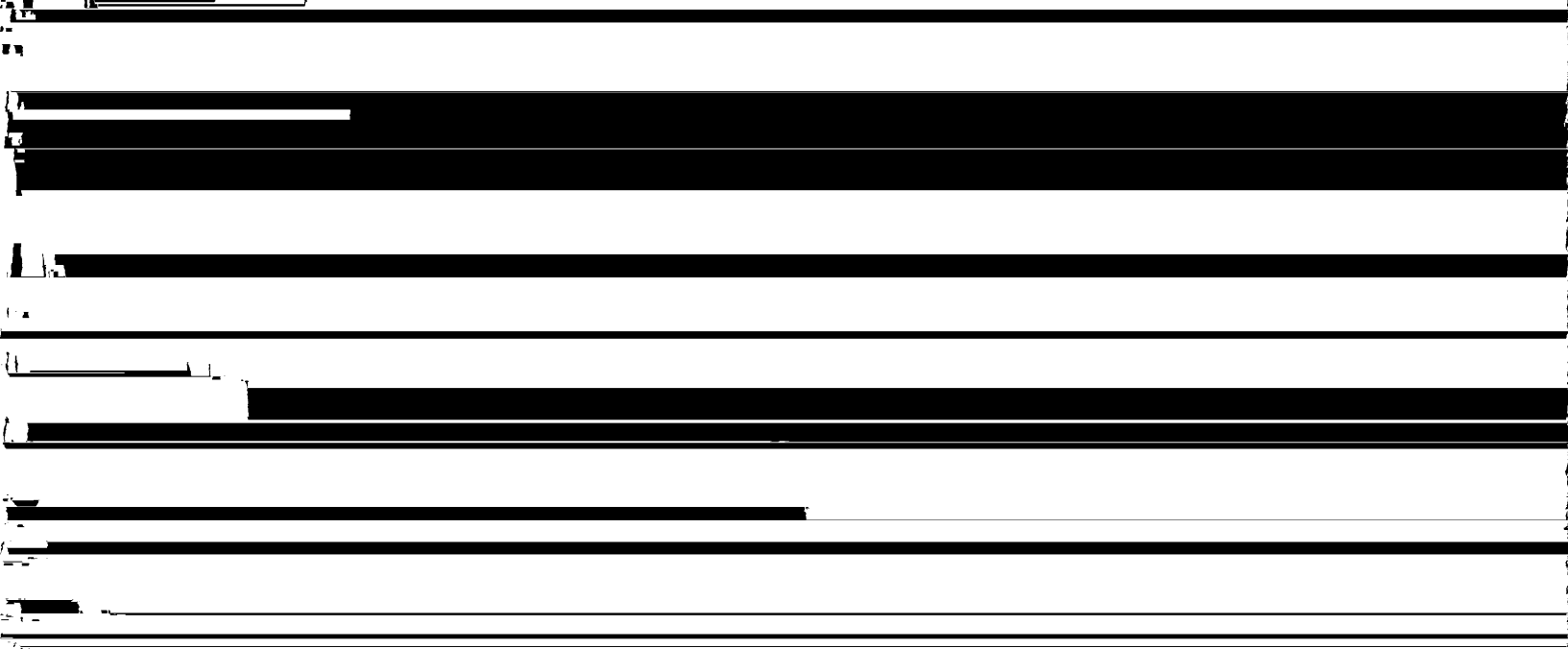
c. Replace Paragraph XII with the following: _____

IT IS FURTHER ORDERED that this order shall terminate at the earlier of: (1) ten (10) years from the date this Order is effective; or (2) after the divestitures required by Paragraphs II.B. through II.F., IV., V., and VI. of this Order have been accomplished.

45. Respondent has discussed this modification with the staff of the Bureau of Competition, which has indicated that it is prepared to recommend that the Commission grant Respondent's petition to modify the Order as requested herein.

46. As required by Section 2.51(b) of the Commission's Rules of Practice, 16 I.E. ¶2.51(b), affidavits by Marc Silsiguen, Head of Corporate Finance at Aventis, and Nicolas Nerot, Director of Financial Communication of Rhodia are attached hereto. These affidavits and the accompanying documentary attachments set forth the specific facts demonstrating the

~~reasons why changed conditions of fact require the requested modification of the Order.~~



PUBLIC VERSION

AVENTIS, S.A.

A handwritten signature in black ink, appearing to be 'D. Wales', written over a horizontal line.

David P. Wales
Beau W. Buffier
SHEARMAN & STERLING
801 Pennsylvania Avenue, N.W.
Washington, DC 20004-2604

Exhibits 1- 13

(Public Versions)