

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

COMMISSIONERS: **Deborah Platt Majoras, Chairman**
 Orson Swindle
 Thomas B. Leary
 Pamela Jones Harbour
 Jon Leibowitz

In the Matter of)	
)	
)	
CYTEC INDUSTRIES INC.)	File No. 041 0203
a corporation.)	
)	
)	

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission (“Commission”) having initiated an investigation of the proposed acquisition by Cytec Industries Inc. (“Cytec”) of certain assets and businesses of UCB S.A. (“UCB”), and it now appearing that Cytec, hereinafter sometimes referred to as “Proposed Respondent,” is 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 Respondent, by its duly authorized officers and attorney, and counsel for the Commission that:

1. Respondent Cytec is a corporation organized, existing and doing business under and by virtue of the laws of Delaware, with its office and principal place of business located at Five Garret Mountain Plaza, West Paterson, New Jersey 07424.

2. Proposed Respondent admits all the jurisdictional facts set forth in the draft of Complaint here attached.
3. Proposed Respondent waives:
 - a. any further procedural steps;
 - b. the requirement that the Commission's Order to Hold Separate and Maintain Assets (the "Hold Separate") and Decision and Order, 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 Hold Separate and Decision and Order entered pursuant to this Consent Agreement; and,
 - d. any claim under the Equal Access to Justice Act.
4. Proposed Respondent shall submit to the Commission with this Consent Agreement a report pursuant to Commission Rule 2.33, 16 C.F.R. section 2.33, setting forth in precise detail how Proposed Respondent will comply in a timely fashion with the requirements of the Decision and Order. Such report will not become part of the public record unless and until this Consent Agreement and the accompanying Decision and Order and Hold Separate are accepted by the Commission for public comment.
5. Within five (5) Business Days of the date the Decision and Order is accepted for public comment, Proposed Respondent shall submit a compliance report, and subsequent reports every thirty (30) days thereafter until the required divestiture is accomplished, signed by the Proposed Respondent, setting forth in detail the manner in which Proposed Respondent has complied and will comply with the Hold Separate and the Decision and Order. Such reports will not become part of the public record unless and until this Consent Agreement and the accompanying Decision and Order and Hold Separate are accepted by the Commission for public comment.
6. 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 Respondent, in which event it will take such action as it may consider appropriate, or amend its complaint if circumstances so require and issue its Decision and Order, in disposition of the proceeding.
7. The Commission may issue its Complaint and the Hold Separate at any time after

it accepts this Consent Agreement.

- a. Within the ten (10) days after the Hold Separate is issued, Proposed Respondent shall enter into the Hold Separate Trustee Agreement (which shall include a trust agreement between Proposed Respondent and the Divestiture Trustee) as provided in Paragraph II of the Hold Separate.
 - b. Within ten (10) days after execution of the Hold Separate Trustee Agreement, Proposed Respondent shall enter into a management agreement with the Hold Separate Manager as provided in Paragraph II of the Hold Separate.
8. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondent that the law has been violated as alleged in the draft Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
9. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (1) issue its Complaint corresponding in form and substance with the draft Complaint here attached, (2) issue and serve its Hold Separate, and (3) make information public with respect thereto. If such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondent, issue the attached Decision and Order containing an order to divest in disposition of the proceeding. When final, the Decision and Order and Hold Separate 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 Hold Separate shall become final upon service. Delivery of the Complaint, Decision and Order, and Hold Separate to Proposed Respondent's United States counsel named in this Consent Agreement by any means specified in Commission Rule 4.4(a), 16 C.F.R. § 4.4.(a), shall constitute service. Proposed Respondent waives any right it may have to any other manner of service. The Complaint may be used in construing the terms of the Decision and Order and Hold Separate. No agreement, understanding, representation, or interpretation not contained in the Decision and Order, Hold Separate, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Hold Separate.
10. By signing this Consent Agreement, Proposed Respondent represents and warrants that it can accomplish the full relief contemplated by the attached Decision and Order and the Hold Separate, and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to the Consent Agreement and are bound thereby as if they had signed this Consent Agreement and were made parties to this proceeding and to the orders.
11. Proposed Respondent has read the Complaint, Decision and Order, and Hold

Separate contemplated hereby. Proposed Respondent understands that once the Decision and Order and Hold Separate have been issued it will be required to file one or more compliance reports showing that it has fully complied with the Decision and Order and the Hold Separate. Proposed Respondent agrees to comply with the Decision and Order and the Hold Separate from the date it executes this Consent Agreement. Proposed Respondent further understands that it may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and the Hold Separate.

12. If the Commission accepts the Consent Agreement for public comment, it will excuse Proposed Respondent from its 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.

Signed this _____ day of February, 2005.

CYTEC INDUSTRIES, INC.

FEDERAL TRADE COMMISSION

Roy Smith
Executive Vice-President,
General Counsel and Secretary

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Bureau of Competition

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