

Huntsman CORP
Form 8-K
August 31, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 28, 2009**

Huntsman Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32427
(Commission
File Number)

42-1648585
(IRS Employer
Identification No.)

Huntsman International LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

333-85141
(Commission
File Number)

87-0630358
(IRS Employer
Identification No.)

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500 Huntsman Way
Salt Lake City, Utah
(Address of principal executive offices)

84108
(Zip Code)

(801) 584-5700

Registrant's telephone number, including area code:

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Asset and Equity Purchase Agreement

On August 28, 2009, Huntsman Corporation (the Company) entered into an asset and equity purchase agreement (the Agreement), by and among Tronox Incorporated, a Delaware corporation, Tronox LLC, a Delaware limited liability company, Tronox Pigments (Savannah) Inc., a Georgia corporation, Tronox Worldwide LLC, a Delaware limited liability company, Tronox Western Australia Pty. Ltd., a Western Australia company, Tronox Pigments (Netherlands) B.V., a Dutch limited liability company (collectively, the Sellers), Huntsman Pigments LLC, a Delaware limited liability company (the U.S. Buyer), Huntsman Australia R&D Company Pty. Ltd., an Australian company (the Australia Buyer), and together with U.S. Buyer, the Buyers) and the Company. Pursuant to the Agreement, the Sellers have agreed to sell to the Buyers substantially all of the assets relating to Sellers' titanium dioxide and electrolytics businesses, including the related working capital, as well as equity interests of certain of Tronox Incorporated's subsidiaries for a purchase price of \$415 million, subject to specified adjustments, and the Buyers have agreed to assume certain liabilities associated with the ongoing operations of the businesses being acquired. If the Sellers fail to obtain specified consents, the U.S. Buyer may elect to not purchase certain assets related to the Sellers' Henderson, Nevada site and reduce the purchase price by \$32.5 million. Under the Agreement, the Company has agreed to guarantee to Sellers payment of the purchase price and certain other payment obligations of Buyers. Moreover, pursuant to the Agreement, the Australia Buyer has agreed to purchase a 50% joint venture interest in another titanium dioxide facility in Australia and associated mining operations. Tronox's JV partner in Australia, Exxaro Resources Limited, has agreed to waive contractual restrictions on the transfer of Tronox's JV interests to Huntsman, including applicable right of first refusal and change of control rights, in the event Huntsman is approved by the Bankruptcy Court as the buyer of the assets.

The Agreement is subject to approval by the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court), in which the bankruptcy cases of the Tronox Incorporated and 14 of its subsidiaries (collectively, the Debtors) under chapter 11 of the United States Bankruptcy Code (the Bankruptcy Code) are being jointly administered as *In re Tronox Corporation, et al.*, Case No. 09-10156 (ALG). The Buyers entered into the Agreement as a stalking horse bidder, and the purchase of the Sellers' assets and the equity interests of certain of Tronox Incorporated's subsidiaries under the Agreement are subject to the Sellers' solicitation of higher or otherwise better offers pursuant to specified bidding procedures and an auction process to be conducted under supervision of the Bankruptcy Court. Under the Agreement, the Buyers made a \$12.45 million deposit toward the purchase price on the date of the execution of the Agreement.

The Buyers and the Sellers have made customary representations, warranties, and covenants in the Agreement, including, among others, a covenant by the Sellers to conduct their business in the ordinary course during the time between the execution of the Agreement and the closing of the transaction.

The closing under the Agreement is subject to various conditions, including the termination or expiration of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, Bankruptcy Court approval and absence of circumstances constituting a Material Adverse Effect (as defined in the Agreement). The Sellers may terminate the Agreement if the Bankruptcy Court approves an alternative transaction, including a reorganization under the Bankruptcy Code, upon payment to the Buyers of a break-up fee of \$12.45 million and reimbursement of up to \$3.0 million of the Buyers' transaction-related expenses. The Agreement may also be terminated prior to the closing by either the Buyers or the Sellers upon the occurrence of specified events. In the event of a termination under certain circumstances, the Sellers could be required to pay to the Buyers the break-up fee and/or expense reimbursement or could be entitled to retain the Buyers' deposit.

The foregoing description of the terms of the Agreement is qualified in its entirety by reference to such Agreement, which is filed herewith as Exhibit 10.1.

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The Agreement has been included to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about the Company. The representations, warranties and covenants contained in the Agreement were made only for purposes of such agreement and as of specific dates, were solely for the benefit of the parties to such agreement, and may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of the Agreement. The representations and warranties may have been made for the purposes of allocating contractual risk between the parties to the agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors.

Item 8.01 Other Events.

In connection with the execution of the Agreement as described in Item 1.01 above, on August 31, 2009, the Company issued a press release. The press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Number	Description of Exhibits
10.1*	Asset and Equity Purchase Agreement dated as of August 28, 2009 by and among Tronox Incorporated, a Delaware corporation, Tronox LLC, a Delaware limited liability company, Tronox Pigments (Savannah) Inc., a Georgia corporation, Tronox Worldwide LLC, a Delaware limited liability company, Tronox Western Australia Pty. Ltd., a Western Australia company, Tronox Pigments (Netherlands) B.V., a Dutch limited liability company, Huntsman Pigments LLC, a Delaware limited liability company, Huntsman Australia R&D Company Pty. Ltd., an Australian company and Huntsman Corporation, a Delaware corporation.
99.1	Press release dated August 31, 2009.
*	Schedules and similar attachments to the Asset and Equity Purchase Agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant will furnish a supplemental copy of any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HUNTSMAN CORPORATION

/s/ Troy M. Keller
TROY M. KELLER
Assistant Secretary

Dated: August 31, 2009