

Complaint

IN THE MATTER OF

LINDE, AG AND THE BOC GROUP PLCCONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATIONS
OF SEC. 7 OF THE CLAYTON ACT AND SEC. 5 OF THE FEDERAL
TRADE COMMISSION ACT

Docket C-4163 File No. 061 0114
Complaint, July 17, 2006 – Decision, August 29, 2006

This consent order addresses the acquisition of The BOC Group plc by Linde, AG. Both respondents are engaged in, among other things, the production and sale of industrial gases, including liquid oxygen and liquid nitrogen and bulk refined helium. To remedy the anticompetitive effects resulting from the acquisition, the order requires Linde to divest all of its merchant liquid oxygen and nitrogen producing business in certain geographic markets to a Commission-approved buyer. Linde will divest air separation units and related assets it currently owns and operates in the following eight locations: Canton, Ohio; Dayton, Ohio; Madison, Wisconsin; Waukesha, Wisconsin; Carrollton, Georgia; Jefferson, Georgia; Rockhill, South Carolina; and Bozrah, Connecticut. The order also requires Linde to divest bulk refined helium assets, including helium source contracts, ancillary distribution assets, and customer contracts, to Taiyo Nippon Sanso Corporation or another Commission-approved buyer. If the divestitures are not accomplished satisfactorily within the time specified, the Commission may appoint a trustee to divest the assets. The order also requires the parties to file periodic reports with the Commission until the divestitures are accomplished.

Participants

For the *Commission*: *Roberta S. Baruch, John D. Carroll, Rendell A. Davis, Jr., Sean G. Dillon, Joseph Eckhaus, and Brendan J. McNamara.*

For the *Respondent*: *Leon Greenfield and William Kolasky, Wilmer, Cutler, Pickering, Hale & Dorr; and Kenneth S. Prince, Shearman & Sterling.*

Complaint

COMPLAINT

Pursuant to the Clayton Act and the Federal Trade Commission Act, and its authority thereunder, the Federal Trade Commission (“Commission”), having reason to believe that Respondent Linde AG (“Linde”), a corporation subject to the jurisdiction of the Commission, has agreed to acquire Respondent The BOC Group plc (“BOC”) (collectively “ Respondents”), a corporation subject to the jurisdiction of the Commission, in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its Complaint, stating its charges as follows:

I. RESPONDENTS

1. Respondent Linde is a corporation existing under and by virtue of the laws of Germany, with its principal executive offices located at Abraham-Lincoln-Strasse 21, 65189 Wiesbaden, Germany. Linde operates in the United States through its wholly-owned subsidiary Linde Gas LLC, with its headquarters at 6055 Rockside Woods Boulevard, Independence, Ohio, 44131.

2. Respondent BOC is a corporation organized, existing, and doing business under and by virtue of the laws of England whose registered principal office is located at Chertsey Road Windlesham, Surrey GU206HJ, England.

3. Respondents are engaged in, among other things, the production and sale of industrial gases, including, but not limited to, liquid oxygen and liquid nitrogen and bulk refined helium.

4. Respondents are, and at all times relevant herein have been, engaged in commerce, as “commerce” is defined in Section 1 of the Clayton Act, as amended, 15 U.S.C. §12, and are corporations whose business is in or affects commerce, as

Complaint

“commerce” is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

II. THE ACQUIRED COMPANY

5. BOC is a corporation organized, existing, and doing business under and by virtue of the laws of England whose registered principal office is located at Chertsey Road Windlesham, Surrey GU206HJ, England. BOC operates in the United States through its wholly-owned indirect subsidiaries, including The BOC Group Inc. and BOC Global Helium Inc., which exist under and by the virtue of the laws of the United States. The respective principal executive offices of The BOC Group Inc. and BOC Global Helium Inc. are located at 575 Mountain Avenue, Murray Hill, New Jersey, 07974.

III. THE PROPOSED ACQUISITION

6. Pursuant to a tender offer and agreement dated March 6, 2006, Linde announced its intention to acquire the entire share capital of BOC for an aggregate purchase price of approximately \$14.4 billion.

IV. THE RELEVANT MARKET

7. For the purposes of this Complaint, the relevant lines of commerce in which to analyze the effects of the acquisition are the manufacture and sale of:

- a. Liquid oxygen;
- b. Liquid nitrogen; and
- c. Bulk refined helium.

Complaint

8. For the purposes of this complaint, the relevant geographic areas in which to analyze the effects of the acquisition on the liquid oxygen and liquid nitrogen markets are:

- a. The Northeast;
- b. the Chicago-Milwaukee Metropolitan Area;
- c. the Eastern Midwest; and
- d. the Southeast.

9. For the purposes of this complaint, the relevant geographic area in which to analyze the effects of the acquisition on the bulk refined helium market is the world.

V. THE STRUCTURE OF THE MARKET

10. The relevant markets are highly concentrated whether measured by Herfindahl-Hirschman (“HHI”) or two-firm and four-firm concentration ratios.

11. Respondents are actual competitors in the relevant markets.

VI. ENTRY CONDITIONS

12. New entry into the relevant markets would not occur in a timely manner sufficient to deter or counteract the likely adverse competitive effects of the acquisition because it would take over two years for an entrant to accomplish the steps required for entry and achieve a significant market impact.

13. Entry into the liquid oxygen and liquid nitrogen markets is costly, difficult, and unlikely because of, among other things, the time and cost required to construct the air separation units that produce liquid oxygen and liquid nitrogen. Constructing one air

Complaint

separation unit large enough to be viable in the market would cost at least \$30 to \$40 million, most of which are sunk costs. Moreover, it is not economically justifiable to build an air separation unit unless a sufficient amount of the plant's capacity has been pre-sold prior to construction, either to an on-site customer or to liquid customers with commitments under contract. Such pre-sale opportunities occur infrequently and unpredictably.

14. Entry into the bulk refined helium market is also costly, difficult, and unlikely, because of, among other things, the time and cost required to gain access to a source of crude helium, build a refinery, and acquire helium distribution assets. There are no sources of refined helium available that are not committed in long term contracts. A new entrant would need to locate a new source of crude helium and build a refinery. Constructing a helium refinery large enough to be viable in the market would cost between \$25 to \$100 million dollars, most of which are sunk costs. In addition, tens of millions of dollars would be needed to acquire the necessary infrastructure and distribution assets, including transfill facilities, cryogenic storage trailers, high-pressure tube trailers and liquid dewars, capable of transporting helium from the refinery to customers.

VII. EFFECTS OF THE ACQUISITION

15. The effects of the Acquisition, if consummated, may be to substantially lessen competition and to tend to create a monopoly in the relevant markets in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, in the following ways, among others:

- a. By eliminating actual, direct, and substantial competition between Respondents;
- b. By increasing the likelihood that Respondents would unilaterally exercise market power in the Northeast, Chicago-

Order to Maintain Assets

Milwaukee, Eastern Midwest, and Southeast liquid oxygen and liquid nitrogen markets;

c. By enhancing the likelihood of collusion or coordinated interaction between or among the remaining firms in the Northeast, Chicago-Milwaukee, Eastern Midwest, and Southeast liquid oxygen and liquid nitrogen markets;

d. By enhancing the likelihood of collusion or coordinated interaction between or among the remaining firms in the bulk refined helium market; and

e. By increasing the likelihood that consumers would be forced to pay higher prices for liquid oxygen, liquid nitrogen, and bulk refined helium in the relevant geographic areas.

VIII. VIOLATIONS CHARGED

16. The Acquisition described in Paragraph 6 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

17. The Acquisition described in Paragraph 6, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

WHEREFORE, THE PREMISES CONSIDERED, the Federal Trade Commission on this seventeenth day of July 2006, issues its Complaint against said Respondents.

By the Commission.

Order to Maintain Assets

ORDER TO HOLD SEPARATE AND MAINTAIN ASSETS

The Federal Trade Commission (“Commission”) having initiated an investigation of the proposed acquisition by Respondent Linde AG (“Linde”) of Respondent The BOC Group plc (“BOC”) hereinafter referred to as “Respondents,” and Respondents having been furnished thereafter with a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondents, its attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Orders (“Consent Agreement”), containing an admission by Respondents of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that Respondents have violated the said Acts, and that a Complaint should issue stating its charges in that respect, and having determined to accept the executed Agreement Containing Consent Orders and to place such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby issues its Complaint, makes the following jurisdictional findings and issues this Order to Hold Separate and Maintain Assets (“Hold Separate”):

Order to Maintain Assets

1. Respondent Linde AG is a corporation organized, existing and doing business under and by virtue of the laws of Germany, with its office and principal place of business located at Abraham-Lincoln-Straße 21, 65030 Wiesbaden, Germany.

2. Respondent BOC is a corporation organized, existing, and doing business under and by virtue of the laws of England whose registered principal office is located at Chertsey Road Windlesham, Surrey GU206HJ, England.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER**I.**

IT IS ORDERED that, as used in this Hold Separate, the following definitions shall apply:

- A. “Linde” means Linde AG, its directors, officers, employees, agents and representatives, predecessors, successors, and assigns; its controlled joint ventures, subsidiaries, divisions, groups and affiliates controlled by Linde AG (including BOC, after Linde’s acquisition of BOC is consummated), and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “BOC” means The BOC Group plc, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups and affiliates controlled by The BOC Group plc, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

Order to Maintain Assets

- C. “Acquisition” means the acquisition by Linde of the entire share capital of BOC, as described in Linde’s tender offer dated March 6, 2006.
- D. “Atmospheric Gases” means oxygen, nitrogen, and argon.
- E. “Atmospheric Gases Acquirer” means the entity or entities who acquires the Atmospheric Gases Assets To Be Divested pursuant to Paragraphs II. or III. of this Order.
- F. “Atmospheric Gases Assets To Be Divested” means the Atmospheric Gases Plants To Be Divested, and includes all of Linde’s interests in all tangible and intangible assets, business and goodwill used at or necessary for the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested including, but not limited to:
 - 1. all real property interests, including rights, title and interests in and to owned or leased property, together with all buildings, improvements, appurtenances, licenses and permits;
 - 2. all inventory; supplies; machinery; equipment; fixtures; furniture; tools and other tangible personal property, including vehicles and other distribution equipment (including trucks, tractors, and trailers); dispatch facilities and equipment; storage tanks, vessels and cylinders; and equipment located at the facilities of customers whose supply agreements are divested to the Atmospheric Gases Acquirer, including but not limited to storage tanks, vessels and cylinders necessary for the operation of the Atmospheric Gases Assets To Be Divested;
 - 3. all spare parts located at the Atmospheric Gases Plants

Order to Maintain Assets

To Be Divested; and, at the option of the Atmospheric Gases Acquirer, any shared critical spare parts for any of the Atmospheric Gases Plants To Be Divested that are stored at any other location;

4. all customer lists and customer databases; *provided, however,* that Linde may redact such customer lists and customer databases to retain information regarding customer supply arrangements not divested to the Atmospheric Gases Acquirer;
5. on a non-exclusive basis, all vendor lists, catalogs, sales promotion literature and advertising materials;
6. non-exclusive rights and licenses to, and copies, of all research materials, inventions, technology and intellectual property, including but not limited to, patents, trade secrets and know-how, necessary to service customers as currently served or operate the Atmospheric Gases Assets To Be Divested at no less than the rate of operation (including, but not limited to, rates of production and sales) as of the Effective Date of Divestiture;
7. at the option of the Atmospheric Gases Acquirer, and to the extent transferable or assignable, non-exclusive rights to all of Linde's management information systems software, supply chain management software, dispatch, logistics and production software and any other software or proprietary information (including, but not limited to, LCS and any modifications and customizations to any software system) necessary to service customers as currently served or operate the Atmospheric Gases Assets To Be Divested at no less than the rate of operation (including, but not limited to, rates of production and sales) as of the Effective Date of Divestiture;

Order to Maintain Assets

8. non-exclusive rights to and copies of all technical information, specifications, designs, drawings, processes and quality control data;
9. rights to or in any or all existing Atmospheric Gases customer supply agreements for which the customer has been ordinarily supplied by the Atmospheric Gases Plants To Be Divested from July 31, 2005 to the Effective Date of Divestiture; to the extent such customer supply agreements also provide for the supply of bulk carbon dioxide, bulk helium or bulk hydrogen, at the option of the Atmospheric Gases Acquirer, the transfer or assignment shall also include the right to supply bulk carbon dioxide, bulk helium or bulk hydrogen; *provided, however*, that, at the option of the Atmospheric Gases Acquirer and with the prior approval of the Commission, the Atmospheric Gases Acquirer may substitute an alternative package of customer supply agreements;
10. rights to or in the Product Exchange Agreement dated June 2, 2006, entered into by and between Linde Gas LLC and Praxair, Inc. (“Praxair Exchange Agreement”);
11. to the extent transferable or assignable, and, in the case of company-wide contracts, divisible, rights to and in all contracts and agreements, other than customer supply agreements, related to the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested including but not limited to dealer, distributor, supply, power and utility contracts;
12. to the extent transferable or assignable, all customer and governmental approvals, consents, licenses,

Order to Maintain Assets

permits, waivers or other authorizations held by Linde for the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested To Be Divested;

13. all rights under warranties and guarantees, express or implied;
14. all books, records and files; *provided, however*, that if such books, records and files also contain information relating to the production, refinement, distribution, marketing or sale of products at plants other than the Atmospheric Gases Plants To Be Divested, then only those portions of the books, records and files relating to the Atmospheric Gases Plants To Be Divested shall be included; and, *provided further*, that Linde may retain a copy of any books and records that it is required by law to retain; and
15. all items of prepaid expense.

Provided, however, “Atmospheric Gases Assets To Be Divested” does not include:

- i. Linde’s proprietary trade name and trademarks and any other rights to distribute or sell any items containing Linde’s name or logo;
- ii. any Atmospheric Gases Plant or production facility other than the Atmospheric Gases Plants To Be Divested;
- iii. any computers, servers, or telecommunications equipment shared through local and/or wide area telecommunications systems that are not physically located at the facilities associated with the Atmospheric Gases Assets To Be Divested;

Order to Maintain Assets

- iv. Linde Gas LLC's headquarters located in Independence, Ohio;
 - v. contractual rights to supply products other than those products produced at the Atmospheric Gases Plants To Be Divested, except as provided in paragraph [I.F.9];
 - vi. plants, facilities, and laboratory or testing apparatus unrelated to the production or sale of Atmospheric Gases; and
 - vii. any other Linde assets unrelated to the Atmospheric Gases Assets to be Divested.
- G. "Atmospheric Gases Plant" means a facility that produces Atmospheric Gases.
- H. "Candidate Atmospheric Gases Employees" means those Employees identified in Confidential Appendix A attached hereto.
- I. "Commission" means the Federal Trade Commission.
- J. "Decision and Order" means:
- 1. until the issuance and service of a final Decision and Order by the Commission, the proposed Decision and Order contained in the Consent Agreement in this matter; and
 - 2. following the issuance and service of a final Decision and Order by the Commission, the final Decision and Order issued by the Commission.
- K. "Effective Date of Divestiture" means the date on which

Order to Maintain Assets

the mandated divestiture of the Atmospheric Gases Assets To Be Divested occurs.

- L. “Held Separate Business” means the Atmospheric Gases Assets To Be Divested and all Held Separate Business Employees of the Atmospheric Gases Assets To Be Divested.
- M. “Held Separate Business Employees” means all full-time, part-time, or contract employees whose duties take place at, or primarily relate to, the Held Separate Business or have taken place at, or primarily related to, the Held Separate Business at any time during the period commencing twelve months prior to the Effective Date of Divestiture.
- N. “Hold Separate Period” means the time period during which the Hold Separate is in effect, which shall begin on the date the Hold Separate becomes final and terminate pursuant to Paragraph V. hereof.
- O. “Hold Separate Trustee” means the individual appointed to act as the Hold Separate Trustee pursuant to Paragraph II.D. hereof.
- P. “Key Atmospheric Gases Employees” means those Employees identified in Confidential Appendix B attached hereto.
- Q. “Material Confidential Information” means competitively sensitive or proprietary information including, but not limited to, all customer lists, price lists, and marketing methods; *provided, however*, Material Confidential Information does not include information in the public domain or independently known to a Person.
- R. “Person” means any individual, partnership, firm, trust,

Order to Maintain Assets

association, corporation, joint venture, unincorporated organization, or other business or governmental entity.

- S. “Bozrah Plant” means Linde’s Atmospheric Gases Plant located in Bozrah, Connecticut.
- T. “Canton Plant” means Linde’s Atmospheric Gases Plant located in Canton, Ohio.
- U. “Carrollton Plant” means Linde’s Atmospheric Gases Plant located in Carrollton, Georgia.
- V. “Dayton Plant” means Linde’s Atmospheric Gases Plant located in Dayton, Ohio.
- W. “Jefferson Plant” means Linde’s Atmospheric Gases Plant located in Jefferson, Georgia.
- X. “Madison Plant” means Linde’s Atmospheric Gases Plant located in Madison, Wisconsin.
- Y. “Rock Hill Plant” means Linde’s Atmospheric Gases Plant located in Rock Hill, South Carolina.
- Z. “Waukesha Plant” means Linde’s Atmospheric Gases Plant located in Waukesha, Wisconsin.

II.

IT IS FURTHER ORDERED that:

- A. During the Hold Separate Period, Linde shall hold the Held Separate Business separate, apart, and independent as required by this Hold Separate and shall vest the Held Separate Business with all rights, powers, and authority necessary to conduct its business; Linde shall not exercise direction or control over, or influence directly or indirectly, the Held Separate Business or any of its

Order to Maintain Assets

operations, or the Hold Separate Trustee, except to the extent that Linde must exercise direction and control over the Held Separate Business as is necessary to assure compliance with this Hold Separate, the Decision and Order, and all applicable laws.

B. Linde shall:

1. During the Hold Separate Period, take such actions as are necessary to maintain the viability, marketability, and competitiveness of the Held Separate Business to prevent the destruction, removal, wasting, deterioration, or impairment of any of the assets, except for ordinary wear and tear; and
2. From the date Linde executes the Agreement containing Consent Orders until the Hold Separate Period begins, take such actions as are necessary to assure that Linde maintains the viability, marketability, and competitiveness of the Held Separate Business to prevent the destruction, removal, wasting, deterioration, or impairment of any of the assets, except for ordinary wear and tear.

C. The purpose of this Hold Separate is to: (1) preserve the Held Separate Business as a viable, competitive, and ongoing business independent of Linde until the divestitures required by the Decision and Order are achieved; (2) assure that no Material Confidential Information is exchanged between Linde and the Held Separate Business, except in accordance with the provisions of this Hold Separate; and (3) prevent interim harm to competition pending the relevant divestitures and other relief.

D. Linde shall hold the Held Separate Business separate, apart, and independent on the following terms and

Order to Maintain Assets

conditions:

1. Richard M. Klein shall serve as Hold Separate Trustee, pursuant to the agreement executed by the Hold Separate Trustee and Linde and attached as Confidential Appendix C to this Hold Separate ("Trustee Agreement").
 - a. The Trustee Agreement shall require that, no later than five (5) days after this Hold Separate becomes final, Linde shall transfer to the Hold Separate Trustee all rights, powers, and authorities necessary to permit the Hold Separate Trustee to perform his/her duties and responsibilities, pursuant to this Hold Separate and consistent with the purposes of the Decision and Order;
 - b. No later than five (5) days after this Hold Separate becomes final, Linde shall, pursuant to the Trustee Agreement, transfer to the Hold Separate Trustee all rights, powers, and authorities necessary to permit the Hold Separate Trustee to perform his/her duties and responsibilities, pursuant to this Hold Separate and consistent with the purposes of the Decision and Order;
 - c. The Hold Separate Trustee shall have the responsibility, consistent with the terms of this Hold Separate and the Decision and Order, for monitoring the organization of the Held Separate Business; for managing the Held Separate Business through the Manager; for maintaining the independence of the Held Separate Business; and for monitoring Linde's compliance with its obligations pursuant to this Hold Separate and the Decision and Order;

Order to Maintain Assets

- d. Subject to all applicable laws and regulations, the Hold Separate Trustee shall have full and complete access to all personnel, books, records, documents and facilities of the Held Separate Business and to any other relevant information as the Hold Separate Trustee may reasonably request, including, but not limited to, all documents and records kept by Linde in the ordinary course of business that relate to the Held Separate Business. Linde shall develop such financial or other information as the Hold Separate Trustee may reasonably request and shall cooperate with the Hold Separate Trustee. Linde shall take no action to interfere with or impede the Hold Separate Trustee's ability to monitor Linde's compliance with this Hold Separate and the Decision and Order or otherwise to perform his/her duties and responsibilities consistent with the terms of this Hold Separate;
- e. The Hold Separate Trustee shall have the authority to employ, at the cost and expense of Linde, such consultants, accountants, attorneys, and other representatives and assistants as are reasonably necessary to carry out the Hold Separate Trustee's duties and responsibilities;
- f. The Commission may require the Hold Separate Trustee to sign an appropriate confidentiality agreement relating to materials and information received from the Commission in connection with performance of the Hold Separate Trustee's duties;
- g. Linde may require the Hold Separate Trustee to sign an appropriate confidentiality agreement prohibiting the disclosure of any Material Confidential Information gained as a result of

Order to Maintain Assets

his/her role as Hold Separate Trustee to anyone other than the Commission;

- h. Thirty (30) days after the Hold Separate becomes final, and every thirty (30) days thereafter until the Hold Separate terminates, the Hold Separate Trustee shall report in writing to the Commission concerning the efforts to accomplish the purposes of this Hold Separate. Included within that report shall be the Hold Separate Trustee's assessment of the extent to which the Held Separate Business is meeting (or exceeding) its projected goals as are reflected in operating plans, budgets, projections or any other regularly prepared financial statements; and
 - i. If the Hold Separate Trustee ceases to act or fails to act diligently and consistent with the purposes of this Hold Separate, the Commission may appoint a substitute Hold Separate Trustee consistent with the terms of this paragraph, subject to the consent of Linde, which consent shall not be unreasonably withheld. If Linde has not opposed, in writing, including the reasons for opposing, the selection of the substitute Hold Separate Trustee within five (5) business days after notice by the staff of the Commission to Linde of the identity of any substitute Hold Separate Trustee, Linde shall be deemed to have consented to the selection of the proposed substitute trustee. Linde and the substitute Hold Separate Trustee shall execute a Trustee Agreement, subject to the approval of the Commission, consistent with this paragraph.
2. No later than one (1) day after the Acquisition is consummated, Linde shall enter into a management agreement with, and transfer all rights, powers, and authorities necessary to manage and maintain the Held

Order to Maintain Assets

Separate Business to Kevin McBride (“Manager”).

- a. In the event that Kevin McBride ceases to act as Manager, then Linde shall select a substitute Manager, subject to the approval of the Commission, and transfer to the substitute Manager all rights, powers and authorities necessary to permit the substitute Manager to perform his/her duties and responsibilities, pursuant to this Hold Separate.
- b. The Manager shall report directly and exclusively to the Hold Separate Trustee and shall manage the Held Separate Business independently of the management of Linde. The Manager shall not be involved, in any way, in the operations of the other businesses of Linde during the term of this Hold Separate.
- c. The Manager shall have no financial interests affected by Linde’s revenues, profits or profit margins, except that the Manager’s compensation for managing the Held Separate Business may include economic incentives dependent on the financial performance of the Held Separate Business if there are also sufficient incentives for the Manager to operate the Held Separate Business at no less than current rates of operation (including, but not limited to, current rates of production and sales) and to achieve the objectives of this Hold Separate.
- d. The Manager shall make no material changes in the present operation of the Held Separate Business except with the approval of the Hold Separate Trustee, in consultation with the Commission.

Order to Maintain Assets

- e. The Manager shall have the authority, with the approval of the Hold Separate Trustee, to remove employees of the Held Separate Business and replace them with others of similar experience or skills. If any Person ceases to act or fails to act diligently and consistent with the purposes of this Hold Separate, the Manager, in consultation with the Hold Separate Trustee, may request Linde to, and Linde shall, appoint a substitute Person, which Person the Manager shall have the right to approve.
 - f. In addition to the Held Separate Business Employees employed as of the date the Consent Agreement is signed by Linde, the Manager may employ such Persons as are reasonably necessary to assist the Manager in managing the Held Separate Business with the consent of the Hold Separate Trustee.
 - g. The Hold Separate Trustee shall be permitted, in consultation with the Commission staff, to remove the Manager for cause. Within fifteen (15) days after such removal of the Manager, Linde shall appoint a replacement Manager, subject to the approval of the Commission, on the same terms and conditions as provided in Paragraph II.D.2. of this Hold Separate.
3. The Held Separate Business shall be staffed with sufficient employees to maintain the viability, marketability, and competitiveness of the Held Separate Business. To the extent that any employees of the Held Separate Business leave or have left the Held Separate Business prior to the Effective Date of Divestiture, the Manager, with the approval of the Hold Separate Trustee, may replace departing or departed employees with Persons who have similar

Order to Maintain Assets

experience and expertise or determine not to replace such departing or departed employees.

4. In connection with support services not included within the Held Separate Business that are being provided by Linde, or which Linde has contracted to provide to the Held Separate Business by third parties, Linde shall continue to provide, or offer to provide, the same support services to the Held Separate Business as are being provided to the Held Separate Business by Linde or third parties as of the date the Consent Agreement is signed by Linde. For services that Linde previously provided to the Held Separate Business, Linde may charge the same fees, if any, charged by Linde for such support services as of the date the Consent Agreement is signed by Linde. For any other services or products that Linde may provide the Held Separate Business, Linde may charge no more than the same price it charges others for the same services or products. Linde's personnel providing such services or products must retain and maintain all Material Confidential Information of the Held Separate Business on a confidential basis, and, except as is permitted by this Hold Separate, such Persons shall be prohibited from providing, discussing, exchanging, circulating, or otherwise furnishing any such information to or with any Person whose employment relates to any of Linde's businesses, other than the Held Separate Business. Such personnel who have or may have access to Material Confidential Information shall also execute confidentiality agreements prohibiting the disclosure of any Material Confidential Information of the Held Separate Business.
 - a. Linde shall offer to the Held Separate Business any services that Linde provides to its other businesses directly or through third party contracts, or that

Order to Maintain Assets

Linde has provided directly or through third party contracts to the Atmospheric Gases Assets To Be Divested and Businesses at any time since July 31, 2005. The Held Separate Business may, at the option of the Manager with the approval of the Hold Separate Trustee, obtain such services and products from Linde. The services that Linde shall offer the Held Separate Business shall include, but shall not be limited to, the following:

- (1) federal and state regulatory policy development and compliance;
- (2) human resources administrative services, including but not limited to procurement and administration of employee benefits;
- (3) environmental health and safety services, including, but not limited to, services to develop corporate policies and insure compliance with federal and state regulations and corporate policies;
- (4) financial accounting services;
- (5) preparation of tax returns;
- (6) audit services;
- (7) technical support and engineering services;
- (8) information technology support services;
- (9) processing of accounts payable and accounts receivable;
- (10) billing and collection services;

Order to Maintain Assets

- (11) payroll processing;
 - (12) maintenance and repair of facilities;
 - (13) procurement of goods and services used in the ordinary course of business;
 - (14) procurement of insurance, including, but not limited to, general and product liability insurance; and
 - (15) legal services.
- b. The Held Separate Business shall have, at the option of the Manager with the approval of the Hold Separate Trustee, the ability to acquire services and products, including, but not limited to, those listed in Paragraph II.D.4.a. above, from third parties unaffiliated with Linde.
5. Linde shall cause the Hold Separate Trustee, the Manager, and each employee of the Held Separate Business having access to Material Confidential Information to submit to the Commission a signed statement that the individual will maintain the confidentiality required by the terms and conditions of this Hold Separate. These individuals must retain and maintain all Material Confidential Information relating to the Held Separate Business on a confidential basis and, except as is permitted by this Hold Separate, such individuals shall be prohibited from providing, discussing, exchanging, circulating, or otherwise furnishing, directly or indirectly, any such information to or with any other Person whose employment relates to any of Linde's businesses other than the Held Separate Business. These individuals shall not be

Order to Maintain Assets

involved in any way in Linde's businesses that compete with the Held Separate Business.

6. No later than ten (10) days after the date this Hold Separate becomes final, Linde shall establish written procedures, subject to the approval of the Hold Separate Trustee, covering the management, maintenance, and independence of the Held Separate Business consistent with the provisions of this Hold Separate.
7. No later than five (5) days after the date this Hold Separate becomes final, Linde shall circulate to employees of the Held Separate Business and to Linde's employees who are responsible for or engaged in financial, management, production, distribution, sales or marketing functions relating to products or services that compete with product or services offered by the Held Separate Business, a notice of this Hold Separate and the Consent Agreement, in the form attached hereto as Attachment A.
8. The Hold Separate Trustee and the Manager shall serve, without bond or other security, at the cost and expense of Linde, on reasonable and customary terms commensurate with the person's experience and responsibilities.
9. Linde shall indemnify the Hold Separate Trustee and Manager and hold each harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Hold Separate Trustee's or the Manager's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from

Order to Maintain Assets

misfeasance, gross negligence, willful or wanton acts or omissions, or bad faith by the Hold Separate Trustee or the Manager, or their respective agents.

10. Linde shall provide the Held Separate Business with sufficient financial resources:

- a. as are appropriate in the judgment of the Hold Separate Trustee to operate the Held Separate Business at no less than current rates of operation and at no less than historical the rates of operation;
- b. to perform all reasonable maintenance to, and replacements of, the assets of the Held Separate Business;
- c. to carry on all existing and planned capital projects and business plans for the Held Separate Business;
- d. to carry on existing and planned bid and proposal plans for the Held Separate Business; and
- e. to maintain the viability, marketability, and competitiveness of the Held Separate Business.
- f. Such financial resources to be provided to the Held Separate Business shall include, but shall not be limited to, (i) general funds, (ii) capital, (iii) working capital; and (iv) reimbursement for any operating losses, capital losses, or other losses; *provided, however*, that, consistent with the purposes of the Decision and Order, the Manager may substitute any capital or research and development project for another of the same cost with the consent of the Hold Separate Trustee.

11. Linde shall:

Order to Maintain Assets

- a. not later than forty-five (45) days before the Effective Date of Divestiture, (a) provide to the Atmospheric Gases Acquirer a list of all Held Separate Business Employees and Candidate Atmospheric Gases Employees; (b) allow the Atmospheric Gases Acquirer to interview any Held Separate Business Employees and Candidate Atmospheric Gases Employees; and (c) in compliance with all laws, allow the Atmospheric Gases Acquirer to inspect the personnel files and other documentation relating to such Held Separate Business Employees and Candidate Atmospheric Gases Employees;
- b. not later than thirty (30) days before the Effective Date of Divestiture, Linde shall provide an opportunity for the Atmospheric Gases Acquirer to (a) meet personally, and outside the presence or hearing of any employee or agent of Linde, with any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees; and (b) make offers of employment to any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees;
- c. Linde shall not directly or indirectly interfere with the Atmospheric Gases Acquirer's offer of employment to any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees, not directly or indirectly attempt to persuade any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees to decline any offer of employment from the Atmospheric Gases Acquirer, and not offer any

Order to Maintain Assets

incentive to any of the Held Separate Business Employees and Candidate Atmospheric Gases Employees to decline employment with the Atmospheric Gases Acquirer;

- d. Linde shall irrevocably waive any legal or equitable right to deter any Held Separate Business Employee or Candidate Atmospheric Gases Employees from accepting employment with Atmospheric Gases Acquirer, including, but not limited to, waiving any non-compete or confidentiality provisions of employment or other contracts with Linde that relate to Atmospheric Gases;
- e. Linde shall not interfere with the employment by the Atmospheric Gases Acquirer of any Held Separate Business Employee or Candidate Atmospheric Gases Employees;
- f. Linde shall continue employee benefits to Held Separate Business Employees and Candidate Atmospheric Gases Employees until the Effective Date of Divestiture, and the employee benefits provided to other similarly situated Linde employees that become employees of Linde after the Effective Date of Divestiture, including regularly scheduled or merit raises and bonuses, regularly scheduled vesting of all pension benefits, and reimbursement of relocation expenses; and
- g. Linde shall provide a retention incentive bonus to Key Atmospheric Gases Employees who accept employment with the Atmospheric Gases Acquirer, equal to ten (10) percent of such employees' annual salary to be paid upon the employees' completion of one (1) year of continuous

Order to Maintain Assets

employment with the Atmospheric Gases Acquirer after the Effective Date of Divestiture.

12. Linde, subject to the provisions of Paragraph II.D.13. below, for a period of one (1) year from the Effective Date of Divestiture, shall not, directly or indirectly, solicit, induce, or attempt to solicit or induce any Held Separate Business Employees and Candidate Atmospheric Gases Employees who have accepted offers of employment with the Atmospheric Gases Acquirer to terminate their employment with the Atmospheric Gases Acquirer; *provided, however*, a violation of this provision will not occur if: (1) the individual's employment has been terminated by the Atmospheric Gases Acquirer; (2) Linde advertises for employees in newspapers, trade publications, or other media not targeted specifically at the employees; or (3) Linde hires employees who apply for employment with Linde, as long as such employees were not solicited by Linde in violation of this paragraph.
13. Notwithstanding the provisions of Paragraph II.D.12. above, for a period of six (6) months from the Effective Date of Divestiture, Linde shall not employ or make offers of employment to any Held Separate Business Employees or Candidate Atmospheric Gases Employees who have accepted offers of employment with the Atmospheric Gases Acquirer unless any such individual's employment with the Atmospheric Gases Acquirer has been terminated by the Atmospheric Gases Acquirer.
14. Except for the Manager, employees of the Held Separate Business, and support services employees involved in providing services to the Held Separate Business pursuant to Paragraph II.D.4., and except to the extent provided in Paragraph II.A., Linde shall not

Order to Maintain Assets

permit any other of its employees, officers, or directors to be involved in the operations of the Held Separate Business.

15. Linde's employees (excluding support services employees involved in providing support to the Held Separate Business pursuant to Paragraph II.D.4.) shall not receive, have access to, or use or continue to use any Material Confidential Information of the Held Separate Business except:

- a. as required by law; and
- b. to the extent that necessary information is exchanged:
 - (1) in the course of consummating the Acquisition;
 - (2) in negotiating agreements to divest assets pursuant to the Consent Agreement and engaging in related due diligence;
 - (3) in complying with the Hold Separate or the Consent Agreement;
 - (4) in overseeing compliance with policies and standards concerning the safety, health and environmental aspects of the operations of the Held Separate Business and the integrity of the financial controls of the Held Separate Business;
 - (5) in defending legal claims, investigations or enforcement actions threatened or brought against or related to the Held Separate Business; or

Order to Maintain Assets

(6) in obtaining legal advice.

Nor shall the Manager or employees of the Held Separate Business receive, have access to, or use or continue to use, any Material Confidential Information about Linde and relating to Linde's businesses, except such information as is necessary to maintain and operate the Held Separate Business. Linde may receive aggregate financial and operational information relating to the Held Separate Business only to the extent necessary to allow Linde to prepare consolidated financial reports, tax returns, reports required by securities laws, and personnel reports. Any such information that is obtained pursuant to this paragraph shall be used only for the purposes set forth in this paragraph.

16. Linde and the Held Separate Business shall jointly implement, and at all times during the Hold Separate Period maintain in operation, a system, as approved by the Hold Separate Trustee, of access and data controls to prevent unauthorized access to or dissemination of Material Confidential Information of the Held Separate Business, including, but not limited to, the opportunity by the Hold Separate Trustee, on terms and conditions agreed to with Linde, to audit Linde's networks and systems to verify compliance with this Hold Separate.

III.

IT IS FURTHER ORDERED that Linde shall notify the Commission at least thirty (30) days prior to: (1) any proposed dissolution of Linde; (2) any proposed acquisition, merger, or consolidation of Linde; or (3) any other change in Linde that may affect compliance obligations arising out of this Order, including but, not limited to, assignment, the creation or dissolution of subsidiaries, or any other change in Linde.

Order to Maintain Assets

IV.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this Hold Separate Order, and subject to any legally recognized privilege, and upon written request with reasonable notice to Linde, Linde shall permit any duly authorized representative of the Commission:

- A. Access, during office hours of Linde and in the presence of counsel, to all facilities, and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession or under the control of Linde relating to any matters contained in this Hold Separate Order; and
- B. Upon five (5) days' notice to Linde and without restraint or interference from it, to interview officers, directors, or employees of Linde, who may have counsel present, regarding any such matters.

V.

IT IS FURTHER ORDERED that this Hold Separate shall terminate at the earlier of:

- A. three (3) business days after the Commission withdraws its acceptance of the Consent Agreement pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34; or

Order to Maintain Assets

- B. the day after the last of the divestitures required by the Decision and Order is completed; provided, however, that when an asset that is included within the Held Separate Business is divested pursuant to the Consent Agreement, that asset shall cease to be held by the Held Separate Business.

By the Commission.

ATTACHMENT A**NOTICE OF DIVESTITURE AND
REQUIREMENT FOR CONFIDENTIALITY**

Linde AG, hereinafter referred to as “Linde,” has entered into an Agreement Containing Consent Orders (“Consent Agreement”) with the Federal Trade Commission relating to the divestiture of certain assets and other relief in connection with Linde’s acquisition of The BOC Group plc.

As used herein, the term “Held Separate Business” means the Atmospheric Gases Assets To Be Divested and personnel as defined in Paragraphs I.L. and I.O. of the Order to Hold Separate and Maintain Assets (the “Hold Separate”) contained in the Consent Agreement. Under the terms of the Decision and Order (the “Order”) contained in the Consent Agreement, Linde must divest certain assets, which are included within the Held Separate Business, within six (6) months from the date the Order becomes final.

Order to Maintain Assets

During the Hold Separate Period (which begins after the Hold Separate becomes final and ends after Linde has completed the required divestiture), the Held Separate Business shall be held separate, apart, and independent of Linde's businesses. The Held Separate Business must be managed and maintained as a separate, ongoing business, independent of all other businesses of Linde, until Linde has completed the required divestiture. All competitive information relating to the Held Separate Business must be retained and maintained by the persons involved in the operation of the Held Separate Business on a confidential basis, and such persons shall be prohibited from providing, discussing, exchanging, circulating, or otherwise furnishing any such information to or with any other person whose employment involves any other of Linde's businesses, except as otherwise provided in the Hold Separate. These persons involved in the operation of the Held Separate Business shall not be involved in any way in the management, production, distribution, sales, marketing, or financial operations of Linde relating to competing products. Similarly, persons involved in similar activities in Linde's businesses shall be prohibited from providing, discussing, exchanging, circulating, or otherwise furnishing any similar information to or with any other person whose employment involves the Held Separate Business, except as otherwise provided in the Hold Separate.

Until the Held Separate Business is divested, Linde must take such actions as are necessary to maintain the viability, marketability, and competitiveness of the Held Separate Business, and to prevent the destruction, removal, wasting, deterioration, or impairment of any of the assets, except for ordinary wear and tear.

Any violation of the Consent Agreement may subject Linde to civil penalties and other relief as provided by law.

Order to Maintain Assets

**NON-PUBLIC
APPENDIX A
TO THE ORDER TO HOLD SEPARATE AND MAINTAIN
ASSETS**

**CANDIDATE ATMOSPHERIC GASES EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX B
TO THE ORDER TO HOLD SEPARATE AND MAINTAIN
ASSETS**

**KEY ATMOSPHERIC GASES EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX C
TO THE ORDER TO HOLD SEPARATE AND MAINTAIN
ASSETS**

**HOLD SEPARATE TRUSTEE AGREEMENT
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

DECISION AND ORDER

The Federal Trade Commission (“Commission”) having initiated an investigation of the proposed acquisition by Respondent Linde AG (“Linde”) of Respondent The BOC Group plc (“BOC”) hereinafter referred to as “Respondents,” and Respondents having been furnished thereafter with a draft of Complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondents with violations of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondents, their attorneys, and counsel for the Commission having thereafter executed an Agreement Containing Consent Orders (“Consent Agreement”), containing an admission by Respondents of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondents that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

The Commission, having thereafter considered the matter and having determined that it had reason to believe that Respondents have violated the said Acts, and that a Complaint should issue stating its charges in that respect, and having thereupon issued its Complaint, its Order to Maintain Assets, and its Order to Hold Separate and Maintain Assets (“Hold Separate and Maintain Assets”) and accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, and having duly considered the comments received from interested persons pursuant to section 2.34 of its Rules, now

Decision and Order

in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Decision and Order (“Order”):

1. Respondent Linde AG is a corporation organized, existing and doing business under and by virtue of the laws of Germany, with its office and principal place of business located at Abraham-Lincoln-Straße 21, 65030 Wiesbaden, Germany.
2. Respondent BOC is a corporation organized, existing, and doing business under and by virtue of the laws of England whose registered principal office is located at Chertsey Road Windlesham, Surrey GU206HJ, England.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondents, and the proceeding is in the public interest.

ORDER**I.**

IT IS ORDERED that, as used in this Order, the following definitions shall apply:

- A. “Linde” means Linde AG, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions, groups and affiliates controlled by Linde AG (including BOC, after Linde’s acquisition of BOC is consummated), and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.
- B. “BOC” means The BOC Group plc, its directors, officers, employees, agents, representatives, successors, and assigns; and the joint ventures, subsidiaries, divisions,

Decision and Order

groups and affiliates controlled by The BOC Group plc, and the respective directors, officers, employees, agents, representatives, successors, and assigns of each.

- C. “Respondents” means Linde and BOC, individually and collectively.
- D. “Commission” means the Federal Trade Commission.
- E. “Acquirer(s)” means each of the entities that acquire any of the Assets To Be Divested pursuant to Paragraphs II., III., or V. of this Order.
- F. “Acquisition Agreement” means the agreement or agreements pursuant to which Linde acquires BOC.
- G. “Allocation Percentage” means the minimum percentage of the normal helium requirements of the Helium Acquirer^s and Linde’s customers that those customers will receive while the supply of helium under the ExxonMobil Helium Contract is curtailed.
- H. “Assets To Be Divested” means
 - 1. Atmospheric Gases Assets To Be Divested,
 - 2. the Helium Assets To Be Divested, and
 - 3. the Escrow Transfills.
- I. “Atmospheric Gases” means oxygen, nitrogen, and argon.
- J. “Atmospheric Gases Acquirer” means the entity that acquires the Atmospheric Gases Assets To Be Divested pursuant to Paragraphs II. or V. of this Order.

Decision and Order

- K. “Atmospheric Gases Assets To Be Divested” means the Atmospheric Gases Plants To Be Divested, and includes all of Linde’s interests in all tangible and intangible assets, business and goodwill used at or necessary for the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested including, but not limited to:
1. all real property interests, including rights, title and interests in and to owned or leased property, together with all buildings, improvements, appurtenances, licenses and permits;
 2. all inventory; supplies; machinery; equipment; fixtures; furniture; tools and other tangible personal property, including vehicles and other distribution equipment (including trucks, tractors, trailers, and rail cars); dispatch facilities and equipment; storage tanks, vessels and cylinders; and equipment located at the facilities of customers whose supply agreements are divested to the Atmospheric Gases Acquirer(s), including but not limited to storage tanks, vessels and cylinders necessary for the operation of the Atmospheric Gases Assets To Be Divested;
 3. all spare parts located at the Atmospheric Gases Plants To Be Divested; and, at the option of the Atmospheric Gases Acquirer(s), any shared critical spare parts for any of the Atmospheric Gases Plants To Be Divested that are stored at any other location;
 4. all customer lists and customer databases; *provided, however*, that Linde may redact such customer lists and customer databases to retain information regarding customer supply arrangements not divested to the Atmospheric Gases Acquirer(s);

Decision and Order

5. on a non-exclusive basis, all vendor lists, catalogs, sales promotion literature and advertising materials;
6. non-exclusive rights and licenses to, and copies of, all research materials, inventions, technology and intellectual property, including but not limited to, patents, trade secrets and know-how, reasonably necessary to service customers as currently served or operate the Atmospheric Gases Assets To Be Divested at no less than the rate of operation (including, but not limited to, rates of production and sales) as of the Effective Date of Atmospheric Gas Assets Divestiture;
7. at the option of the Atmospheric Gases Acquirer(s), non-exclusive rights to all management information systems software, supply chain management software, dispatch, logistics and production software and any other software or proprietary information (including, but not limited to, LCS and any modifications and customizations to any software system) necessary to service customers as currently served or operate the Atmospheric Gases Assets To Be Divested at no less than the rate of operation (including, but not limited to, rates of production and sales) as of the Effective Date of Atmospheric Gas Assets Divestiture;
8. non-exclusive rights to and copies of all technical information, specifications, designs, drawings, processes and quality control data;
9. rights to or in any or all existing Atmospheric Gases customer supply agreements for which the customer has been ordinarily supplied by one or more of the Atmospheric Gases Plants To Be Divested from July 31, 2005, to the Effective Date of Atmospheric Gas Assets Divestiture; to the extent such customer supply agreements also provide for the supply of bulk carbon

Decision and Order

dioxide, bulk helium or bulk hydrogen, at the option of the Atmospheric Gases Acquirer, the transfer or assignment shall also include the right to supply bulk carbon dioxide, bulk helium or bulk hydrogen; *provided, however,* that at the option of the Atmospheric Gases Acquirer and with the prior approval of the Commission, the Atmospheric Gases Acquirer may substitute an alternative package of customer supply agreements;

10. rights to the Product Exchange Agreement dated June 2, 2006, entered into by and between Linde Gas LLC and Praxair, Inc.;
11. to the extent transferable or assignable, and, in the case of company-wide contracts, divisible, rights to and in all contracts and agreements, other than customer supply agreements, related to the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested including but not limited to dealer, distributor, supply, power and utility contracts;
12. to the extent transferable or assignable, all customer and governmental approvals, consents, licenses, permits, waivers or other authorizations held by Linde for the production, refinement, distribution, marketing or sale of Atmospheric Gases at the Atmospheric Gases Plants To Be Divested;
13. all rights under warranties and guarantees, express or implied;
14. all books, records and files; *provided, however,* that if such books, records and files also contain information relating to the production, refinement, distribution, marketing or sale of products at plants other than the

Decision and Order

Atmospheric Gases Plants To Be Divested, then only those portions of the books, records and files relating to the Atmospheric Gases Plants To Be Divested shall be included; and, provided further, that Linde may retain a copy of any books and records that it is required by law to retain; and

15. all items of prepaid expense.

Provided, however, “Atmospheric Gases Assets To Be Divested” does not include:

- i. Linde’s proprietary trade name and trademarks and any other rights to distribute or sell any items containing Linde’s name or logo;
- ii. any Atmospheric Gases Plant or production facility other than the Atmospheric Gases Plants To Be Divested;
- iii. any computers, servers, or telecommunications equipment shared through local and/or wide area telecommunications systems that are not physically located at the facilities associated with the Atmospheric Gases Assets To Be Divested;
- iv. Linde Gas LLC’s headquarters located in Independence, Ohio; and
- v. contractual rights to supply products other than those products produced at the Atmospheric Gases Plants To Be Divested, except as provided in Paragraph I.G.9.

Decision and Order

- L. “Atmospheric Assets Divestiture Agreement” means any agreement pursuant to which Linde divests the Atmospheric Gases Assets To Be Divested pursuant to this Order and with the prior approval of the Commission.
- M. “Atmospheric Gases Plant” means a facility that produces Atmospheric Gases.
- N. “Atmospheric Gases Plants To Be Divested” means the Bozrah Plant, Canton Plant, Carrollton Plant, Dayton Plant, Jefferson Plant, Madison Plant, Rock Hill Plant, and Waukesha Plant.
- O. “Bessemer Helium Transfill” means BOC’s Helium Transfill located in Bessemer, Alabama, and all other BOC assets on the property, but not including any Helium ISO Containers, Helium Tube Trailers, or Helium Dewars that are not Helium Containers To Be Divested or any assets related exclusively to BOC’s carbon dioxide or other non-helium businesses.

Provided, however, if assets used in the operation of BOC’s Bessemer Helium Transfill are also used by BOC or Linde for other purposes, then the “Bessemer Helium Transfill” shall include BOC and Linde’s right to use those assets in exchange for a one-time paid-up fee, but shall not include the assets themselves. This would include, for example, roads and parking areas used not only by persons or vehicles participating in the operation of the Bessemer Helium Transfill, but also by persons or vehicles employed by Respondents for other purposes.

- P. “Bozrah Plant” means Linde’s Atmospheric Gases Plant located in Bozrah, Connecticut.

Decision and Order

- Q. “Candidate Atmospheric Gases Employees” means those Employees identified in Confidential Appendix A attached to this Order.
- R. “Canton Plant” means Linde’s Atmospheric Gases Plant located in Canton, Ohio.
- S. “Carrollton Plant” means Linde’s Atmospheric Gases Plant located in Carrollton, Georgia.
- T. “Dayton Plant” means Linde’s Atmospheric Gases Plant located in Dayton, Ohio.
- U. “Direct Cost” means actual cost of labor, including employee benefits plus actual input costs, such as materials and fuel, plus the actual cost of any third-party charges.
- V. “Divestiture Agreements” means the Atmospheric Assets Divestiture Agreement and the Helium Divestiture Agreement.
- W. “Effective Date of Acquisition” means the date on which Linde acquires BOC.
- X. “Effective Date of Atmospheric Gas Assets Divestiture” means the date on which the mandated divestiture of the Atmospheric Gases Assets To Be Divested occurs.
- Y. “Effective Date of the Helium Acquirer’s New Transfills” means the date on which the Commission determines the Helium Acquirer has constructed a helium transfill that is a Standard Industry Helium Transfill or the date on which the Escrow Transfills are divested to the Helium Acquirer.

Decision and Order

Z. “Effective Date of Helium Assets Divestiture” means the date on which the mandated divestiture of the Helium Assets To Be Divested is completed.

AA. “Escrow Transfills” means:

1. if TNSC is the Helium Acquirer:

a. BOC’s Helium Transfill in City of Industry, California; and

b. BOC’s Helium Transfill in Richmond, California;

including all assets used in the operation of those Helium Transfills, regardless of whether the assets are used exclusively for that purpose, and any easements necessary to obtain efficient access to those transfills.

2. if TNSC is not the Helium Acquirer:

a. BOC’s Helium Transfill in City of Industry, California; and

b. BOC’s Helium Transfill in Middlesex, New Jersey;

including all assets used in the operation of those Helium Transfills, regardless of whether the assets are used exclusively for that purpose, and any easements necessary to obtain efficient access to those transfills.

Provided, however, the “Escrow Transfills” shall not include any right to ownership of real property, but shall include, in exchange for a one-time paid-up fee, a fifty (50) year lease to the real property on which those Helium Transfills, and the assets used in the operation of those Helium Transfills, are located.

Decision and Order

Provided, further, however, if assets used in the operation of those Helium Transfills are also used by BOC for other purposes, then the “Escrow Transfills” shall include the Helium Acquirer’s right to use those assets in exchange for a one-time paid-up fee, but shall not include the assets themselves. This would include for example, roads and parking areas used not only by persons or vehicles participating in the operation of those Helium Transfills, but also by persons or vehicles employed by BOC for other purposes.

- BB. “Expected Worldwide Helium Demand” means an estimate of worldwide helium demand based on actual demand during the three calendar months immediately preceding the interruption of supply pursuant to the ExxonMobil Helium Contract.
- CC. “ExxonMobil” means ExxonMobil Gas & Power Marketing Company.
- DD. “ExxonMobil Helium Contract” means the contract between BOC Inc. and ExxonMobil that became effective on February 24, 2003, and that provides for the purchase of 337 million cubic feet of helium per annum by BOC.
- EE. “Held Separate Business” means the Atmospheric Gases Assets To Be Divested and all Held Separate Business Employees of the Atmospheric Gases Assets To Be Divested.
- FF. “Held Separate Business Employees” means all full-time, part-time, or contract employees whose duties take place at, or primarily relate to, the Held Separate Business or have taken place at, or primarily related to, the Held Separate Business at any time during the period commencing twelve months prior to the Effective Date of Acquisition.

Decision and Order

GG. “Helium Acquirer’s Expected Worldwide Helium Supply” means an estimate of the Helium Acquirer’s then available worldwide helium supply based on contractual supply obligations as reflected by recent helium deliveries from third-party sources.

HH. “Helium Assets To Be Divested” means the Helium Containers To Be Divested, the Helium Delivery Assets To Be Divested, the Helium Supply Rights To Be Divested, the Helium Transfill Facilities To Be Divested, and the Helium Customer Contracts To Be Divested.

II. “Helium Acquirer” means the Person that acquires the Helium Assets To Be Divested pursuant to Paragraph III. or V. of this Order

JJ. “Helium Containers To Be Divested” means sufficient Helium ISO Containers, Helium Tube Trailers, and Helium Dewars, when combined with containers owned or leased by the Helium Acquirer prior to the Effective Date of Helium Assets Divestiture, for the Helium Acquirer to deliver economically and efficiently to its customers, its joint ventures, its subsidiaries, and itself the helium it purchases pursuant to the Helium Supply Rights To Be Divested, where all such containers are in good condition, where the average age of such Helium ISO Containers is not greater than the average age of all of BOC’s Helium ISO Containers, where the average age of such Helium Tube Trailers is not greater than the average age of all of BOC’s Helium Tube Trailers, and where the average age of such Helium Dewars is not greater than the average age of all of BOC’s Helium Dewars.

Provided, however, if TNSC is the Helium Acquirer, then the number of Helium Containers To Be Divested shall not

Decision and Order

be less than the quantities designated in Confidential Appendix B.

Provided, further, however, if TNSC is not the Helium Acquirer, then “Helium Containers To Be Divested” shall not be less than the quantities designated in Confidential Appendix C.

KK. “Helium Customer Contracts To Be Divested” means:

1. BOC’s rights to and in all contracts for the sale of helium by BOC to the Helium Acquirer or to any subsidiaries or joint ventures of the Helium Acquirer;
2. BOC’s rights to and in all contracts for the sale of helium by BOC existing as of June 11, 2006, where any helium delivered pursuant to any such contract was delivered from a Helium Transfill Point, except for contracts identified in Confidential Appendix D,

Provided, however, that if after Linde uses it commercially reasonable efforts, the consent to the assignment of, or renewal, modification, or waiver of any conflict in, any customer supply contract is not obtained (“Excluded Customer Contracts”), then Linde shall remove such Excluded Customer Contracts from the Helium Customer Contracts to be Divested, and replace such Excluded Customer Contracts with alternative contracts (“Alternative Customer Contracts”), selected by the Helium Acquirer, provided that the selected Alternative Customers contracts do not cause the overall gas to liquid ratio to decline to less than 1.5:1 at the Helium Transfill Point from which the customer is currently served, until the total annual helium volume requirements of these Alternative Customer Contracts equals the Excluded Customer Contracts; provided that in each case such customer shall not be (i) a national account customer that

Decision and Order

takes a material amount of its supply at any location outside the Helium Transfill Points or (ii) a customer of Linde's magnetic resonance imaging Business that is part of a national account customer.

3. Linde's or BOC's rights to and in the contracts for the sale of helium by Linde or BOC to customers located in Europe or Turkey that are identified in Confidential Appendix E; and
4. All of Linde's rights and interests in supplying up to 90 million cubic feet per annum of helium with a term to Linde Gas UK Ltd. pursuant to the Linde AG/TNSC Supply Agreement.

Provided, however, if TNSC is not the Helium Acquirer, then "Helium Customer Contracts To Be Divested" means

- i. BOC's rights to and in any contracts for the sale of helium up to an aggregate volume of 240 mmscf by BOC to the Helium Acquirer or to any subsidiaries or joint ventures of the Helium Acquirer,
- ii. BOC's rights to and in all contracts for the sale of helium by BOC where any helium delivered pursuant to any such contract was delivered from a Helium Transfill Point except for contracts identified in Confidential Appendix F, provided that the contracts divested shall not cause the overall gas to liquid ratio to decline to less than 1.5:1 at the Helium Transfill Point from which the customer is currently served.,

Provided, however, that if the annual volume of such contracts does not total at least 61 million cubic feet of helium, then Linde shall provide

Decision and Order

supplemental contracts for the sale of helium delivered from one or more Helium Transfills (excluding contracts identified in Confidential Appendix F.) (“Supplemental Contracts”) until the total annual volume of the divested contracts for sale of helium delivered from Helium Transfill Points plus the Supplemental Contracts equals at least 61 million cubic feet of helium. These Supplemental Contracts shall be acceptable to the Helium Acquirer and the weighted average gross profit after distribution expense of such Supplemental Contracts shall not be less than the weighted average gross profit after distribution expense of the divested contracts for sale of helium delivered from Helium Transfill Points, provided that the Supplemental Contracts divested shall not cause the overall gas to liquid ratio to decline to less than 1.5:1 at the Helium Transfill from which the customer is currently served.

Provided, further, however, the total annual volume requirements of distributor customers will not exceed 20% of the total volume of the Helium Customer Contracts To Be Divested pursuant to Paragraph I.KK.ii. of this Order.

- iii. Linde’s or BOC’s rights to and in the contracts for the sale of helium by Linde or BOC to customers located in Europe or Turkey that are listed in Confidential Appendix G, and
- iv. All of Linde’s rights and interests in supplying up to 90 million cubic feet per annum of helium with a term of at least four (4) years to Linde Gas UK Ltd. pursuant to the Linde AG/TNSC Supply Agreement.

Decision and Order

LL. “Helium Delivery Assets To Be Divested” means sufficient Dewar Trailers, Dewar Trucks, and Tractors, when combined with delivery assets owned or leased by the Helium Acquirer prior to the Effective Date of Helium Assets Divestiture, for the Helium Acquirer to deliver economically and efficiently to its customers, its joint ventures, its subsidiaries, and itself the helium it purchases pursuant to the Helium Supply Rights To Be Divested, where all such delivery assets are in good condition, where the average age of such Dewar Trailers is not greater than the average age of all of BOC’s Dewar Trailers, where the average age of such Dewar Trucks is not greater than the average age of all of BOC’s Dewar Trucks, and where the average age of such Tractors is not greater than the average age of all of BOC’s Tractors.

Provided, however, if TNSC is the Helium Acquirer, then the number of Helium Delivery Assets To Be Divested shall not be less the amount designated in Confidential Appendix H.

Provided, further, however, if TNSC is not the Helium Acquirer, then “Helium Delivery Assets To Be Divested” shall not be less than an amount designated in Confidential Appendix I.

MM. “Helium Dewar” means a container that is designed to hold 1,000 liters or less of liquid helium.

NN. “Helium Divestiture Agreement” means any agreement pursuant to which Linde divests, pursuant to this Order and with the prior approval of the Commission, any of the Helium Assets To Be Divested or any of the Escrow Transfills.

OO. “Helium Employees” means all employees of Respondents who devote a majority of their working time to matters

Decision and Order

relating to helium, as well as all employees listed in Confidential Appendix J attached to this Order, as well as BOC's tube trailer logistics employees at Bethlehem, PA., with the exception of employees who work at Helium Transfills.

PP. "Helium ISO Container" means a container that has a nominal capacity of 11,000 gallons of liquid helium, that conforms to relevant manufacturing standards of the International Organization for Standardization, and that is insulated, in part, by liquid nitrogen shielding.

QQ. "Helium Supply Rights To Be Divested" means, collectively and in full, BOC's rights to and in the ExxonMobil Helium Contract, the Russian Helium Contract, and the Polish Helium Contract.

RR. "Helium Transfill" means a facility where helium is transferred from Helium ISO Containers to smaller containers.

SS. "Helium Transfill Employees" means all full-time, part-time or contract employees, including, but not limited to drivers, whose duties primarily relate to the Helium Transfills to Be Divested or the Escrow Transfills.

TT. "Helium Transfill Points" means the locations in the United States of the Helium Transfills To Be Divested and the Escrow Transfills.

Provided, however, if TNSC is not the Helium Acquirer, then "Helium Acquirer's Transfill Points" means the locations of the Helium Transfills To Be Divested, the Escrow Transfills, and any Helium Transfills owned by the Helium Acquirer prior to the Effective Date of Helium Assets Divestiture.

Decision and Order

UU. “Helium Transfills to Be Divested” means the Houston Helium Transfill and the Orlando Helium Transfill.

Provided, however, if TNSC is not the Helium Acquirer, then “Helium Transfills To Be Divested” means the Bessemer Helium Transfill and Montgomery Helium Transfill.

VV. “Helium Transfill Tolling Services” means the following services: (i) transfilling the bulk liquid helium from Helium ISO Containers into Helium Tube Trailers and Helium Dewars at the Escrow Transfills for pickup by the Helium Acquirer; (ii) arranging shipment of Helium ISO Containers to Asia or Europe via ocean carriers; (iii) taking necessary steps to top off the Helium ISO Container’s liquid nitrogen shield and removing helium gas, when necessary, to reduce the pressure in the Helium ISO Containers; (iv) delivering the Helium ISO Container to the port for shipment; (v) picking-up empty Helium ISO Containers from the port upon their return from Asia or Europe, as applicable; and (vi) performing minor container repairs and delivering the empty Helium ISO Containers to Shute Creek for filling; and (vii) keeping record of shipments by customer for monthly/annual reconciliation.

WW. “Helium Tube Trailer” means a wheeled container that holds between 45,000 and 180,000 cubic feet of compressed gaseous helium and that is designed to be pulled by a semi tractor.

XX. “Houston Helium Transfill” means BOC’s Helium Transfill located in Houston, Texas, on the property of Matheson Tri-Gas, Inc. and all other BOC assets on the property, but not including any Helium ISO Containers, Helium Tube Trailers or Helium Dewars that are not Helium Containers To Be Divested.

Decision and Order

- YY. “Jefferson Plant” means Linde’s Atmospheric Gases Plant located in Jefferson, Georgia.
- ZZ. “Key Atmospheric Gases Employees” means those Employees identified in Confidential Appendix K attached to this Order.
- AAA. “Key Helium Employees” means those Employees identified in Confidential Appendix L attached to this Order.
- BBB. “Key Helium Transfill Employees” means those Employees identified in Confidential Appendix M attached to this Order.
- CCC. “Linde’s Expected Worldwide Helium Supply” means an estimate of Linde’s then available worldwide helium supply based on contractual supply obligations as reflected by recent helium deliveries from third-party sources and the assumption that Linde’s helium refinery at Otis, Kansas runs at full capacity, unless there is an operational problem preventing the Otis plant from running at full capacity.
- DDD. “Linde AG/TNSC Supply Agreement” means the Liquid Helium Supply Agreement by and among Linde AG and Taiyo Nippon Sanso Corporation providing for the supply of up to 90 million cubic feet per annum of helium with a term of at least four (4) years, as appended to the TNSC Divestiture Agreement.
- EEE. “Madison Plant” means Linde’s Atmospheric Gases Plant located in Madison, Wisconsin.
- FFF. “Monitor Agreement” means the Monitor Agreement dated June 29, 2006, between Respondents and Richard

Decision and Order

M. Klein. (The Monitor Agreement is attached as Confidential Appendix N).

GGG. “Montgomery Helium Transfill” means BOC’s Helium Transfill located in Montgomery, Illinois, and all other BOC assets on the property, but not including any Helium ISO Containers, Helium Tube Trailers, or Helium Dewars that are not Helium Containers To Be Divested or any assets related exclusively to BOC’s carbon dioxide or other non-helium businesses.

Provided, however, if assets used in the operation of BOC’s Montgomery Helium Transfill are also used by BOC or Linde for other purposes, then the “Montgomery Helium Transfill” shall include BOC and Linde’s right to use those assets in exchange for a one-time paid-up fee, but shall not include the assets themselves. This would include, for example, roads and parking areas used not only by persons or vehicles participating in the operation of the Montgomery Helium Transfill, but also by persons or vehicles employed by Respondents for other purposes.

HHH. “Orlando Helium Transfill” means BOC’s Helium Transfill located in Orlando, Florida and all other BOC assets on the property, but not including any Helium ISO Containers, Helium Tube Trailers or Helium Dewars that are not Helium Containers To Be Divested or any assets related exclusively to BOC’s carbon dioxide or other non-helium businesses.

Provided, however, if assets used in the operation of the BOC’s Orlando Helium Transfill are also used by BOC or Linde for other purposes, then the “Orlando Helium Transfill” shall include BOC and Linde’s right to use those assets in exchange for a one-time paid-up fee, but shall not include the assets themselves. This would include, for example, roads and parking areas used not only by persons

Decision and Order

or vehicles participating in the operation of the Orlando Helium Transfill, but also by persons or vehicles employed by Respondents for other purposes.

III. “Person” means any natural person, partnership, corporation, company, association, trust, joint venture or other business or legal entity, including any governmental agency.

JJJ. “Polish Helium Contract” means the contract between BOC Helex Ltd. and the Polish Oil and Gas Company Division Odolanow that specifies a “Commencement Date” of January 1, 2004, and that provides for the purchase of approximately 90 million cubic feet of helium per annum by BOC.

KKK. “Rock Hill Plant” means Linde’s Atmospheric Gases Plant located in Rock Hill, South Carolina.

LLL. “Russian Helium Contract” means the contract among BOC Helex Ltd., JSC Cryor, and JSC Orenburggazprom that was dated March 31, 2002, and that provides for the purchase of approximately 60 million cubic feet of helium per annum by BOC.

MMM. “Shute Creek” means ExxonMobil’s refining facility in Shute Creek, Wyoming.

NNN. “Standard Industry Helium Transfill” means a facility capable of transfilling helium from Helium ISO Containers into gaseous Helium Tube Trailers and Helium Dewars and which includes at least the following types of equipment: one (1) helium compressor capable of filling to 3,000 psig; one (1) ambient air vaporizer; two (2) Helium Tube Trailer filling manifolds; two (2) Helium Dewar filling scale; one (1) vacuum pump; one (1) bulk nitrogen storage tank; one (1) helium dewar recovery manifold;

Decision and Order

analytical equipment (oxygen analyzer, moisture analyzer, total hydrocarbon analyzer, and gas chromatograph); compressor oil traps; trailer scale; surge tank; flash gas recovery system; vacuum insulated hoses and piping from the liquid container to liquid fill manifolds; and other associated piping instruments and controls.

OOO. “TNSC” means Taiyo Nippon Sanso Corporation.

PPP. “TNSC Divestiture Agreement” means the Asset Purchase Agreement, Transition Services Agreement, the Transportation and Tolling Agreement dated June 11, 2006, by and among Linde AG, The BOC Group plc, and Taiyo Nippon Sanso Corporation, and the Linde AG/TNSC Supply Agreement dated June 11, 2006, and the annexes thereto, as amended and restated July 7, 2006.

QQQ. “Waukesha Plant” means Linde’s Atmospheric Gases Plant located in Waukesha, Wisconsin.

II.**IT IS FURTHER ORDERED** that:

- A. Linde shall divest, within six (6) months from the date this Order becomes final, the Atmospheric Gases Assets To Be Divested to a single Atmospheric Gases Acquirer that receives the prior approval of the Commission and only in a manner that receives the prior approval of the Commission, absolutely and in good faith and at no minimum price.
- B. Linde shall divest the Atmospheric Gases Assets To Be Divested on the terms set forth in this Paragraph II.B., in addition to other terms that may be required by this Order and by the Atmospheric Assets Divestiture Agreements; and Linde shall agree with the Atmospheric Gases

Decision and Order

Acquirer of the Atmospheric Gases Assets To Be Divested, as part of the Atmospheric Assets Divestiture Agreements, to comply with the terms set forth in this Paragraph II.B.:

1. Not later than forty-five (45) days before the Effective Date of Atmospheric Gas Assets Divestiture, Linde shall (a) provide to the Atmospheric Gases Acquirer a list of all Held Separate Business Employees and Candidate Atmospheric Gases Employees; (b) allow the Atmospheric Gases Acquirer to interview any Held Separate Business Employees and Candidate Atmospheric Gases Employees; and (c) subject to compliance with all laws, allow the Atmospheric Gases Acquirer to inspect the personnel files and other documentation relating to such Held Separate Business Employees and Candidate Atmospheric Gases Employees;
2. Not later than thirty (30) days before the Effective Date of Atmospheric Gas Assets Divestiture, Linde shall provide an opportunity for the Atmospheric Gases Acquirer to (a) meet personally, and outside the presence or hearing of any employee or agent of Linde, with any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees; and (b) make offers of employment to any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees;
3. Linde shall not directly or indirectly interfere with the Atmospheric Gases Acquirer's offer of employment to any one or more of the Held Separate Business Employees and Candidate Atmospheric Gases Employees, not directly or indirectly attempt to persuade any one or more of the Held Separate

Decision and Order

Business Employees and Candidate Atmospheric Gases Employees to decline any offer of employment from the Atmospheric Gases Acquirer, and not offer any incentive to any of the Held Separate Business Employees and Candidate Atmospheric Gases Employees to decline employment with the Atmospheric Gases Acquirer;

4. Linde shall irrevocably waive any legal or equitable right to deter any Held Separate Business Employee or Candidate Atmospheric Gases Employee from accepting employment with Atmospheric Gases Acquirer, including, but not limited to, waiving any non-compete or confidentiality provisions of employment or other contracts with Linde that relate to Atmospheric Gases;
5. Linde shall not interfere with the employment by the Atmospheric Gases Acquirer of any Held Separate Business Employee or Candidate Atmospheric Gases Employee;
6. Linde shall continue employee benefits to Held Separate Business Employees and Candidate Atmospheric Gases Employees until the Effective Date of Atmospheric Gas Assets Divestiture consistent with the requirements of the Acquisition Agreement and the employee benefits provided to other similarly situated Linde employees that become employees of Linde after the Effective Date of Atmospheric Gas Assets Divestiture, including regularly scheduled or merit raises and bonuses, regularly scheduled vesting of all pension benefits, and reimbursement of relocation expenses;
7. Linde shall provide a retention incentive bonus to Key Atmospheric Gases Employees who accept

Decision and Order

employment with the Atmospheric Gases Acquirer, equal to ten (10) percent of such employees' annual salary to be paid upon the employees' completion of one (1) year of continuous employment with the Atmospheric Gases Acquirer after the Effective Date of Atmospheric Gas Assets Divestiture;

8. Linde, subject to the provisions of Paragraph II.B.9. below, for a period of one (1) year from the Effective Date of Atmospheric Gas Assets Divestiture, shall not, directly or indirectly, solicit, induce, or attempt to solicit or induce any Held Separate Business Employees and Candidate Atmospheric Gases Employees who have accepted offers of employment with the Atmospheric Gases Acquirer(s) to terminate their employment with the Atmospheric Gases Acquirer; *provided, however*, a violation of this provision will not occur if: (1) the individual's employment has been terminated by the Atmospheric Gases Acquirer; (2) Linde advertises for employees in newspapers, trade publications, or other media not targeted specifically at the employees; or (3) Linde hires employees who apply for employment with Linde, as long as such employees were not solicited by Linde in violation of this paragraph;
9. Notwithstanding the provisions of Paragraph II.B.8. above, for a period of six (6) months from the Effective Date of Atmospheric Gas Assets Divestiture, Linde shall not employ or make offers of employment to any Held Separate Business Employees or Candidate Atmospheric Gases Employees who have accepted offers of employment with the Atmospheric Gases Acquirer unless any such individual's employment with the Atmospheric Gases Acquirer has been terminated by the Atmospheric Gases Acquirer; and

Decision and Order

10. Linde shall not restrict, preclude, or influence any supplier of goods or services to its retained Atmospheric Gases business from supplying goods or services to the Atmospheric Gases business of the Atmospheric Gases Acquirer.
- C. In the event that Linde is unable to satisfy all conditions necessary to divest any intangible asset that is a permit, license, or right granted by any governmental authority, Linde shall provide such assistance as the Atmospheric Gases Acquirer may reasonably request in the Atmospheric Gases Acquirer's efforts to obtain a comparable permit, license or right. In the event that Linde is unable to satisfy all conditions necessary to divest any other intangible asset (including a contractual right), Linde shall, with the acceptance of the Atmospheric Gases Acquirer and the prior approval of the Commission, substitute equivalent assets or arrangements.
- D. The purpose of the divestiture of the Atmospheric Gases Assets To Be Divested, and of the other provisions of this paragraph, is to ensure the continued operation of the Atmospheric Gases Assets To Be Divested as a viable, ongoing business by the Atmospheric Gases Acquirer that has the ability and incentive to invest and compete in the production, distribution, marketing and sale of Atmospheric Gases sold in liquid form, and to remedy the lessening of competition resulting from the acquisition of BOC by Linde as alleged in Commission's Complaint.

III.**IT IS FURTHER ORDERED** that:

- A. Linde shall divest the Helium Assets To Be Divested and the Escrow Transfills as follows:

Decision and Order

1. Linde shall:

- a. within ten (10) days after the Effective Date of Acquisition, divest to TNSC, absolutely, and in good faith, pursuant to and in accordance with the TNSC Divestiture Agreement, all the Helium Assets To Be Divested, and
- b. within two (2) years after the Effective Date of Acquisition, divest to TNSC, absolutely, and in good faith, pursuant to and in accordance with the TNSC Divestiture Agreement, all the Escrow Transfills.

The TNSC Divestiture Agreement is incorporated by reference into this Order and made a part hereof as Confidential Appendix O. Any failure by Linde to comply with the TNSC Divestiture Agreement shall constitute a failure to comply with this Order. The TNSC Divestiture Agreement shall not vary or contradict, or be construed to vary or contradict, the terms of this Order. Nothing in this Order shall reduce, or be construed to reduce, any rights or benefits of TNSC, or any obligations of Linde under the TNSC Divestiture Agreement.

Provided, however, if, at the time the Commission makes this Order final, the Commission determines that TNSC is not an acceptable Helium Acquirer or that the TNSC Divestiture Agreement is not an acceptable manner of divestiture, and so notifies Respondents, then Respondents shall:

- i. within six (6) months after the date Linde or BOC receives notice of such determination from the Commission, divest the Helium Assets To Be

Decision and Order

Divested absolutely and in good faith, at no minimum price, as on-going businesses to a single Helium Acquirer that receives the prior approval of the Commission in whole and not in part and only in a manner that receives the prior approval of the Commission, and

- ii. within two (2) years after the Effective Date of Helium Assets Divestiture, divest the Escrow Transfills absolutely and in good faith, at no minimum price, as on-going businesses to the acquirer of the Helium Assets To Be Divested in whole and not in part in a manner that receives the prior approval of the Commission.

Provided, further, however, Linde shall not be required to divest an Escrow Transfill if:

- i. pursuant to Paragraph III.B.6.b. of this Order, the Commission determines, based on certification by the Monitor pursuant to Paragraph IV.D.1.c. of this Order, that the Helium Acquirer has constructed a Helium Transfill that is a Standard Industry Helium Transfill and approves Linde's retention of that Escrow Transfill, and
 - ii. Linde complies with the other requirements of Paragraph III.B.6.b.
2. If Linde or BOC has divested the Helium Assets To Be Divested or the Escrow Transfills prior to the date this Order becomes final, and if, at the time the Commission makes this Order final, the Commission determines that TNSC is not an acceptable acquirer or that the TNSC Divestiture Agreement is not an acceptable manner of divestiture, and so notifies Respondents, then Linde or BOC shall within three (3)

Decision and Order

business days of receiving such notification, rescind the transaction with TNSC and shall divest the Helium Assets To Be Divested in whole and not in part and the Escrow Transfills in accordance with the first proviso to Paragraph III.A.1. of this Order.

B. Linde shall divest the Helium Assets To Be Divested on the terms set forth in this Paragraph III.B., in addition to other terms that may be required by this Order and by the Helium Divestiture Agreements; and Linde shall agree with the Helium Acquirer, as part of the Helium Divestiture Agreements, to comply with the terms set forth in this Paragraph III.B.:

1. Linde shall place no restrictions on the use by the Helium Acquirer of any of the Helium Assets To Be Divested.
2. Linde or BOC shall assign to the Helium Acquirer the ExxonMobil Helium Contract, the Russian Helium Contract, and the Polish Helium Contract, and shall obtain approvals necessary for such assignments. Copies of all such approvals shall be incorporated into the Helium Divestiture Agreements as appendices on or before Effective Date of the Helium Assets Divestiture. If Linde or BOC is unable to obtain approvals for the assignment of the ExxonMobil Helium Contract, the Russian Helium Contract, or the Polish Helium Contract to the Helium Acquirer, as required by Paragraph III.B.2. of this Order, then Linde shall sell to the Helium Acquirer a quantity of refined helium equivalent to the amount that Linde receives under the Helium Supply Rights To Be Divested that could not be assigned at Linde's then-current price under the contract for a period of fifteen (15) years.

Decision and Order

Provided, however, if, after using its commercially reasonable efforts, Linde is unable to obtain any renewals of any Helium Supply Rights To Be Divested that could not be assigned during the fifteen year period as provided in this Paragraph III.B.2., Linde shall sell to the Helium Acquirer a quantity of refined helium equivalent to the average amount it received over the last three years of the Helium Supply Rights To Be Divested that could not be assigned, at the average price paid over the last three years of the Helium Supply Rights To Be Divested that could not be assigned.

3. Neither Linde nor BOC shall:
 - a. on, or prior to, the first opportunity of the Helium Acquirer to renew the ExxonMobil Helium Contract, compete with the Helium Acquirer for the rights that the Helium Acquirer would obtain if the ExxonMobil Helium Contract were renewed;
 - b. on, or prior to, the first opportunity of the Helium Acquirer to renew the Russian Helium Contract, compete with the Helium Acquirer for the rights that the Helium Acquirer would obtain if the Russian Helium Contract were renewed; and
 - c. on, or prior to, the first opportunity of the Helium Acquirer to renew the Polish Helium Contract, compete with the Helium Acquirer for the rights that the Helium Acquirer would obtain if the Polish Helium Contract were renewed.
4. With respect to the Allocation Percentage, Linde shall do the following:

Decision and Order

- a. From the Effective Date of Helium Assets Divestiture until the expiration date of the ExxonMobil Helium Contract in accordance with its terms, in the event that supply of helium under the ExxonMobil Helium Contract is curtailed for any reason outside of the Helium Acquirer's control, then, during that period of time, Linde shall allocate its then available worldwide supply of helium between the Helium Acquirer and the helium customers of Linde on a pro rata basis based on their respective aggregate sales volume of helium so that the Helium Acquirer and Linde's customers shall receive an equal Allocation Percentage, which percentage shall not exceed one hundred percent (100%). The Allocation Percentage, which shall apply equally to both the Helium Acquirer's and Linde's customers, shall be calculated in accordance with the following formula:

$$AP = 1 - [(SSL + SSP)/(MDL + MDP)], \text{ where}$$

AP = the Allocation Percentage (not to exceed 1).

SSL = The total anticipated shortfall in Linde's then available worldwide helium supply (expressed in thousands of standard cubic feet) during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed. Total anticipated shortfall shall be the excess of Linde's Expected Worldwide Helium Demand relative to Linde's Expected Worldwide Helium Supply during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed.

Decision and Order

SSP = The total anticipated shortfall in the Helium Acquirer's then available worldwide helium supply (expressed in thousands of standard cubic feet) during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed. Total anticipated shortfall shall be the excess of the Helium Acquirer's Expected Worldwide Helium Demand relative to the Helium Acquirer's Expected Worldwide Helium Supply during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed.

MDL = Linde's Expected Worldwide Helium Demand during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed.

MDP = The Helium Acquirer's Expected Worldwide Helium Demand during the period of time when the supply of helium pursuant to the ExxonMobil Helium Contract is curtailed.

- b. The price for any back-up helium supplied under this Paragraph III.B.4. by Linde shall be the then current price of helium under the ExxonMobil Helium Contract.
5. Linde shall require, as a condition of divesting its helium business in the United Kingdom, Linde Gas UK Ltd., that the acquirer of that business agree to accept assignment of Linde AG/TNSC Supply Agreement.

Decision and Order

6. With respect to the Escrow Transfills, Linde shall do the following:
 - a. Until the divestiture of the Escrow Transfills pursuant to this Order, Linde shall place in escrow the purchase price paid by the Helium Acquirer for each of the Escrow Transfills. The Divestiture Agreements shall provide that such purchase prices be paid at the same time as the Helium Acquirer pays to Linde the purchase price for the Helium Assets To Be Divested, and Linde shall not divest the Helium Assets To Be Divested to the Helium Acquirer until after Linde receives the purchase prices for the Escrow Transfills.
 - b. If, prior to the divestiture of an Escrow Transfill to the Helium Acquirer, the Commission determines, based on certification by the Monitor pursuant to Paragraph IV.D.1.c. of this Order, that the Helium Acquirer has constructed a Standard Industry Helium Transfill, then Linde shall retain such Escrow Transfill, and return to the Helium Acquirer the purchase price (including interest accrued in escrow) for that Escrow Transfill within three (3) days after it receives the Commission's approval to retain the Escrow Transfill.
 - c. Until the divestiture of an Escrow Transfill or until Linde receives the approval of the Commission to retain an Escrow Transfill, whichever is earlier, but in no event longer than two (2) years, Linde shall provide Helium Transfill Tolling Services to the Helium Acquirer at that Escrow Transfill on the following terms and conditions:

Decision and Order

- (1) Price shall be equal to Linde's actual Direct Cost of providing such services.
- (2) Quantity shall not exceed the helium volume purchased by the Helium Acquirer pursuant to the ExxonMobil Helium Contract.
- (3) In performing Helium Transfill Tolling Services, Linde shall provide all such services in substantially the same manner and applying substantially the same standards and practices that it applies when performing similar services for its own customers, consistent in all material respects with standard industry practices and standards and the standards and practices applied by BOC in carrying out similar services in connection with the sale of helium to the Helium Acquirer prior to the effective date of the Order.

7. Neither Linde nor BOC shall restrict, preclude, or influence any supplier of goods or services to its retained helium business from supplying goods or services to the helium business of the Helium Acquirer.

Provided, however, nothing in this Order shall preclude Linde from contracting for helium sources, except as provided in Paragraph III.B.3.

8. With respect to Helium Employees, Respondents shall do the following:
 - a. Not later than fifteen (15) business days before the Effective Date of Helium Assets Divestiture, Respondents shall (1) provide to the Helium Acquirer a list of all Helium Employees; (2) allow

Decision and Order

the Helium Acquirer to interview any Helium Employees; and (3) subject to compliance with all laws, allow the Helium Acquirer to inspect the personnel files and other documentation relating to such Helium Employees;

- b. Not later than ten (10) business days before the Effective Date of Helium Assets Divestiture, Respondents shall provide an opportunity for the Helium Acquirer to (1) meet personally, and outside the presence or hearing of any employee or agent of Linde or BOC, with any one or more of the Helium Employees; and (2) make offers of employment to any one or more of the Helium Employees;
- c. Respondents shall not directly or indirectly interfere with the Helium Acquirer's offer of employment to any one or more of the Helium Employees, not directly or indirectly attempt to persuade any one or more of the Helium Employees to decline any offer of employment from the Helium Acquirer, and not offer any incentive to any of the Helium Employees to decline employment with the Helium Acquirer;
- d. Respondents shall irrevocably waive any legal or equitable right to deter any Helium Employee from accepting employment with the Helium Acquirer, including, but not limited to, waiving any non-compete or confidentiality provisions of employment or other contracts with Respondents that relate to helium;
- e. Respondents shall not interfere with the employment by the Helium Acquirer(s) of any Helium Employee;

Decision and Order

- f. Linde or BOC shall continue employee benefits to Helium Employees until fifteen (15) days after the Effective Date of Helium Assets Divestiture consistent with the requirements of the Acquisition Agreement and the employee benefits provided to other similarly situated BOC employees that become employees of Linde after the Effective Date of the Acquisition, including regularly scheduled or merit raises and bonuses, regularly scheduled vesting of all pension benefits, and reimbursement of relocation expenses;
- g. Linde or BOC shall pay, for the benefit of any Helium Employee working outside of the United States who accepts employment with the Helium Acquirer, all accrued bonuses, vested pensions, and other accrued benefits, to the extent that such benefits are not transferable;
- h. Linde or BOC shall pay any Key Helium Employee who accepts employment with the Helium Acquirer an incentive equal to thirty (30) percent of the employee's annual salary (including any other bonuses), payable upon the beginning of his or her employment by the Commission-approved Acquirer.
- i. Linde, subject to the provisions of Paragraph III.B.8.j. below, for a period of two (2) years from the Effective Date of Helium Assets Divestiture, shall not, directly or indirectly, solicit, induce, or attempt to solicit or induce any Helium Employees who have accepted offers of employment with the Helium Acquirer to terminate their employment with the Helium Acquirer; *provided, however*, a violation of this provision will not occur if: (1) the

Decision and Order

individual's employment has been terminated by the Helium Acquirer; (2) Linde advertises for employees in newspapers, trade publications, or other media not targeted specifically at the employees; or (3) Linde hires employees who apply for employment with Linde, as long as such employees were not solicited by Linde in violation of this paragraph; and

- j. Notwithstanding the provisions of Paragraph III.B.8.i. above, for a period of six (6) months from the Effective Date of Helium Assets Divestiture, Linde shall not employ or make offers of employment to any Helium Employees who have accepted offers of employment with the Helium Acquirer unless any such individual's employment with the Helium Acquirer has been terminated by the Helium Acquirer.
9. With respect to Helium Transfill Employees, Respondents shall do the following:
- a. Not later than fifteen (15) business days before the Effective Date of Helium Assets Divestiture, Respondents shall (1) provide to the Helium Acquirer a list of all Helium Transfill Employees; (2) allow the Helium Acquirer to interview any Helium Transfill Employees; and (3) subject to compliance with all laws, allow the Helium Acquirer to inspect the personnel files and other documentation relating to such Helium Transfill Employees;
 - b. Not later than ten (10) business days before the Effective Date of Helium Assets Divestiture, Respondents shall provide an opportunity for the Helium Acquirer to (1) meet personally, and

Decision and Order

outside the presence or hearing of any employee or agent of either Linde or BOC, with any one or more of the Helium Transfill Employees; and (2) make offers of employment to any one or more of the Helium Transfill Employees;

- c. Respondents shall not directly or indirectly interfere with the Helium Acquirer's offer of employment to any one or more of the Helium Transfill Employees, not directly or indirectly attempt to persuade any one or more of the Helium Transfill Employees to decline any offer of employment from the Helium Acquirer, and not offer any incentive to any of the Helium Transfill Employees to decline employment with the Helium Acquirer;
- d. Respondents shall irrevocably waive any legal or equitable right to deter any Helium Transfill Employee from accepting employment with the Helium Acquirer, including, but not limited to, waiving any non-compete or confidentiality provisions of employment or other contracts with Respondents that relate to helium;
- e. Respondents shall not interfere with the employment by the Helium Acquirer(s) of any Helium Transfill Employee;
- f. Respondents shall continue employee benefits to Helium Transfill Employees until fifteen (15) days after the Effective Date of Helium Assets Divestiture consistent with the requirements of the Acquisition Agreement and the employee benefits provided to other similarly situated BOC employees that become employees of Linde after the Effective Date of the Acquisition, including

Decision and Order

regularly scheduled or merit raises and bonuses, regularly scheduled vesting of all pension benefits, and reimbursement of relocation expenses;

- g. Linde or BOC shall pay any Key Helium Transfill Employee who accepts employment with the Helium Acquirer an incentive equal to twenty-five (25) percent of the employee's annual salary (including any other bonuses) to be paid upon the employee's completion of one (1) year of employment with the Commission-approved Acquirer;
- h. Respondents, subject to the provisions of Paragraph III.B.8.i. below, for a period of two (2) years from the Effective Date of Helium Assets Divestiture, shall not, directly or indirectly, solicit, induce, or attempt to solicit or induce any Helium Transfill Employees who have accepted offers of employment with the Helium Acquirer to terminate their employment with the Helium Acquirer; *provided, however*, a violation of this provision will not occur if: (1) the individual's employment has been terminated by the Helium Acquirer; (2) Linde advertises for employees in newspapers, trade publications, or other media not targeted specifically at the employees; or (3) Linde hires employees who apply for employment with Linde, as long as such employees were not solicited by Linde in violation of this paragraph;
- i. Notwithstanding the provisions of Paragraph III.B.8.h. above, for a period of six (6) months from the Effective Date of Helium Assets Divestiture, Linde shall not employ or make offers of employment to any Helium Transfill Employees

Decision and Order

who have accepted offers of employment with the Helium Acquirer unless any such individual's employment with the Helium Acquirer has been terminated by the Helium Acquirer;

- j. At the time the Escrow Transfills are divested to the Helium Acquirer, the provisions of this Paragraph III.B.9. shall apply to the employees of the Escrow Transfills, substituting "Effective Date of Helium Assets Divestiture" with "Effective Date of the Helium Acquirer's New Transfills"; and
 - k. If, prior to the divestiture of the Escrow Transfills to the Helium Acquirer, the Commission determines, based on certification by the Monitor pursuant to Paragraph IV.D.1.c. of this Order, that the Helium Acquirer has constructed a helium transfill that is a Standard Industry Helium Transfill, the provisions of Paragraph III.B.9. shall apply to the employees of the Escrow Transfills, substituting "Effective Date of Helium Assets Divestiture" with "Effective Date of the Helium Acquirer's New Transfills."
- C. The purpose of Paragraph III. of this Order is to ensure the continuation of the Helium Assets To Be Divested to a single entity in whole and not in part as, or as part of, ongoing viable enterprises engaged in the same business in which such assets were engaged at the time of the announcement of the acquisition of BOC by Linde, to ensure that the Helium Assets To Be Divested are operated independently of, and in competition with, Linde, and to remedy the lessening of competition alleged in the Commission's Complaint.

Decision and Order

IV.**IT IS FURTHER ORDERED** that:

- A. Richard M. Klein shall be appointed Monitor to assure that Respondents expeditiously comply with all of their obligations and perform all of their responsibilities as required by Paragraph III. of this Order, the Order To Maintain Assets, and the Helium Divestiture Agreements.
- B. No later than one (1) day after this Order is made final, Respondents shall, pursuant to the Monitor Agreement and to this Order, transfer to the Monitor all the rights, powers, and authorities necessary to permit the Monitor to perform his duties and responsibilities in a manner consistent with the purposes of Paragraph III. of this Order.
- C. In the event a substitute Monitor is required, the Commission shall select the Monitor, subject to the consent of Respondents, which consent shall not be unreasonably withheld. If Respondents have not opposed, in writing, including the reasons for opposing, the selection of a proposed Monitor within ten (10) days after notice by the staff of the Commission to Respondents of the identity of any proposed Monitor, Respondents shall be deemed to have consented to the selection of the proposed Monitor. Not later than ten (10) days after appointment of a substitute Monitor, Respondents shall execute an agreement that, subject to the prior approval of the Commission, confers on the Monitor all the rights and powers necessary to permit the Monitor to monitor Linde's and BOC's compliance with the terms of Paragraph III. of this Order and the Helium Divestiture Agreements in a manner consistent with the purposes of this Order.

Decision and Order

- D. Respondents shall consent to the following terms and conditions regarding the powers, duties, authorities, and responsibilities of the Monitor:
1. The Monitor shall have the power and authority to monitor Linde's and BOC's compliance with Paragraph III. of this Order, the Order To Maintain Assets, and the Helium Divestiture Agreements, and shall exercise such power and authority and carry out the duties and responsibilities of the Monitor in a manner consistent with the purposes of this Order and in consultation with the Commission, including, but not limited to:
 - a. Assuring that Respondents expeditiously comply with all of their obligations and perform all of their responsibilities as required by Paragraph III. of this Order and the Helium Divestiture Agreements, and the Order To Maintain Assets;
 - b. Monitoring any transition services agreements; and
 - c. Determining the completion of a Standard Industry Helium Transfill.
 2. The Monitor shall act in a fiduciary capacity for the benefit of the Commission.
 3. The Monitor shall serve for such time as is necessary to monitor Linde's and BOC's compliance with the provisions of Paragraph III. of this Order, the Order To Maintain Assets, and the Helium Divestiture Agreements.
 4. Subject to any demonstrated legally recognized privilege, the Monitor shall have full and complete access to Linde's and BOC's personnel, books,

Decision and Order

documents, records kept in the ordinary course of business, facilities and technical information, and such other relevant information as the Monitor may reasonably request, related to Linde's and BOC's compliance with their obligations under Paragraph III. of this Order and the Helium Divestiture Agreements. Respondents shall cooperate with any reasonable request of the Monitor and shall take no action to interfere with or impede the Monitor's ability to monitor Linde's and BOC's compliance with Paragraph III. of this Order, the Order to Maintain Assets, and the Helium Divestiture Agreements.

5. The Monitor shall serve, without bond or other security, at the expense of Respondents on such reasonable and customary terms and conditions as the Commission may set. The Monitor shall have authority to employ, at the expense of Respondents, such consultants, accountants, attorneys and other representatives and assistants as are reasonably necessary to carry out the Monitor's duties and responsibilities. The Monitor shall account for all expenses incurred, including fees for services rendered, subject to the approval of the Commission.
6. Respondents shall indemnify the Monitor and hold the Monitor harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the Monitor's duties, including all reasonable fees of counsel and other reasonable expenses incurred in connection with the preparations for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from misfeasance, gross negligence, willful or wanton acts, or bad faith by the Monitor.

Decision and Order

7. Respondents shall report to the Monitor in accordance with the requirements of this Order and/or as otherwise provided in any agreement approved by the Commission. The Monitor shall evaluate the reports submitted to the Monitor by Respondents, and any reports submitted by the Helium Acquirer with respect to the performance of Linde's and BOC's obligations under Paragraph III. of this Order, the Helium Divestiture Agreements, and the Order To Maintain Assets.
8. Within one (1) month from the date the Monitor is appointed pursuant to this paragraph, every sixty (60) days thereafter, and otherwise as requested by the Commission, the Monitor shall report in writing to the Commission concerning performance by Respondents of their obligations under Paragraph III. of this Order, the Helium Divestiture Agreements, and the Order To Maintain Assets.
9. Respondents may require the Monitor and the Monitor's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement; PROVIDED, HOWEVER, such agreement shall not restrict the Monitor from providing any information to the Commission.
- E. The Commission may, among other things, require the Monitor and each of the Monitor's consultants, accountants, attorneys, and other representatives and assistants to sign an appropriate confidentiality agreement relating to Commission materials and information received in connection with the performance of the Monitor's duties.
- F. If the Commission determines that the Monitor has ceased to act or failed to act diligently, the Commission may

Decision and Order

appoint a substitute Monitor in the same manner as provided in this Paragraph IV.

- G. The Commission may on its own initiative, or at the request of the Monitor, issue such additional orders or directions as may be necessary or appropriate to assure compliance with the requirements of Paragraph III. of this Order, the Order to Maintain Assets, and the Helium Divestiture Agreements.
- H. A Monitor appointed pursuant to this Order may be the same Person appointed as Hold Separate Trustee pursuant to Paragraph II. of the Order to Hold Separate and Maintain Assets.

V.**IT IS FURTHER ORDERED** that:

- A. If Linde has not divested all of the Assets To Be Divested as required by Paragraphs II. and III. of this Order, the Commission may appoint a trustee to divest (“Divestiture Trustee”) the remaining Assets To Be Divested in a manner that satisfies the requirements of Paragraphs II. and III. In the event that the Commission or the Attorney General brings an action pursuant to § 5(l) of the Federal Trade Commission Act, 15 U.S.C. § 45(l), or any other statute enforced by the Commission, Linde shall consent to the appointment of a Divestiture Trustee in such action to divest the relevant assets in accordance with the terms of this Order. Neither the appointment of a Divestiture Trustee nor a decision not to appoint a Divestiture Trustee under this Paragraph shall preclude the Commission or the Attorney General from seeking civil penalties or any other relief available to it, including a court-appointed Divestiture Trustee, pursuant to § 5(l) of the Federal Trade Commission Act, or any other statute enforced by the

Decision and Order

Commission, for any failure by Linde to comply with this Order.

- B. The Commission shall select the Divestiture Trustee, subject to the consent of Linde, which consent shall not be unreasonably withheld. The Divestiture Trustee shall be a person with experience and expertise in acquisitions and divestitures. If Linde has not opposed, in writing, including the reasons for opposing, the selection of any proposed Divestiture Trustee within ten (10) days after notice by the staff of the Commission to Linde of the identity of any proposed Divestiture Trustee, Linde shall be deemed to have consented to the selection of the proposed Divestiture Trustee.
- C. Within ten (10) days after appointment of a Divestiture Trustee, Linde shall execute a trust agreement that, subject to the prior approval of the Commission, transfers to the Divestiture Trustee all rights and powers necessary to permit the Divestiture Trustee to effect the relevant divestiture or transfer required by the Order.
- D. If a Divestiture Trustee is appointed by the Commission or a court pursuant to this Order, Linde shall consent to the following terms and conditions regarding the Divestiture Trustee's powers, duties, authority, and responsibilities:
 - 1. Subject to the prior approval of the Commission, the Divestiture Trustee shall have the exclusive power and authority to assign, grant, license, divest, transfer, deliver or otherwise convey the relevant assets that are required by this Order to be assigned, granted, licensed, divested, transferred, delivered or otherwise conveyed.
 - 2. The Divestiture Trustee shall have twelve (12) months from the date the Commission approves the trust

Decision and Order

agreement described herein to accomplish the divestiture, which shall be subject to the prior approval of the Commission. If, however, at the end of the twelve (12) month period, the Divestiture Trustee has submitted a plan of divestiture or believes that the divestiture can be achieved within a reasonable time, the divestiture period may be extended by the Commission; *provided, however*, the Commission may extend the divestiture period only two (2) times.

3. Subject to any demonstrated legally recognized privilege, the Divestiture Trustee shall have full and complete access to the personnel, books, records, and facilities related to the relevant assets that are required to be assigned, granted, licensed, divested, delivered or otherwise conveyed by this Order and to any other relevant information as the Divestiture Trustee may request. Linde shall develop such financial or other information as the Divestiture Trustee may request and shall cooperate with the Divestiture Trustee. Linde shall take no action to interfere with or impede the Divestiture Trustee's accomplishment of the divestiture. Any delays in divestiture caused by Linde shall extend the time for divestiture under this Paragraph V. in an amount equal to the delay, as determined by the Commission or, for a court-appointed Divestiture Trustee, by the court.
4. The Divestiture Trustee shall use commercially reasonable best efforts to negotiate the most favorable price and terms available in each contract that is submitted to the Commission, subject to Linde's absolute and unconditional obligation to divest expeditiously and at no minimum price. The divestiture shall be made in the manner and to an Acquirer as required by this Order; *provided, however*, if the Divestiture Trustee receives bona fide offers

Decision and Order

from more than one acquiring Person, and if the Commission determines to approve more than one such acquiring Person, the Divestiture Trustee shall divest to the acquiring Person selected by Linde from among those approved by the Commission; *provided further, however*, that Linde shall select such Person within five (5) days of receiving notification of the Commission's approval.

5. The Divestiture Trustee shall serve, without bond or other security, at the cost and expense of Linde, on such reasonable and customary terms and conditions as the Commission or a court may set. The Divestiture Trustee shall have the authority to employ, at the cost and expense of Linde, such consultants, accountants, attorneys, investment bankers, business brokers, appraisers, and other representatives and assistants as are necessary to carry out the Divestiture Trustee's duties and responsibilities. The Divestiture Trustee shall account for all monies derived from the divestiture and all expenses incurred. After approval by the Commission and, in the case of a court-appointed Divestiture Trustee, by the court, of the account of the Divestiture Trustee, including fees for the Divestiture Trustee's services, all remaining monies shall be paid at the direction of Linde, and the Divestiture Trustee's power shall be terminated. The compensation of the Divestiture Trustee shall be based at least in significant part on a commission arrangement contingent on the divestiture of all of the relevant assets that are required to be divested by this Order.
6. Linde shall indemnify the Divestiture Trustee and hold the Divestiture Trustee harmless against any losses, claims, damages, liabilities, or expenses arising out of, or in connection with, the performance of the

Decision and Order

Divestiture Trustee's duties, including all reasonable fees of counsel and other expenses incurred in connection with the preparation for, or defense of, any claim, whether or not resulting in any liability, except to the extent that such losses, claims, damages, liabilities, or expenses result from misfeasance, gross negligence, willful or wanton acts, or bad faith by the Divestiture Trustee.

7. The Divestiture Trustee shall have no obligation or authority to operate or maintain the relevant assets required to be divested by this Order.
 8. The Divestiture Trustee shall report in writing to Linde and to the Commission every sixty (60) days concerning the Divestiture Trustee's efforts to accomplish the divestiture.
 9. Linde may require the Divestiture Trustee and each of the Divestiture Trustee's consultants, accountants, attorneys, and other representatives and assistants to sign a customary confidentiality agreement; *provided, however*, such agreement shall not restrict the Divestiture Trustee from providing any information to the Commission.
- E. If the Commission determines that a Divestiture Trustee has ceased to act or failed to act diligently, the Commission may appoint a substitute Divestiture Trustee in the same manner as provided in this Paragraph V.
- F. The Commission or, in the case of a court-appointed Divestiture Trustee, the court, may on its own initiative or at the request of the Divestiture Trustee issue such additional orders or directions as may be necessary or appropriate to accomplish the divestiture required by this Order.

Decision and Order

VI.**IT IS FURTHER ORDERED** that:

- A. Within thirty (30) days after the date this Order becomes final and every thirty (30) days thereafter until Respondents have fully complied with the provisions of Paragraphs II., III., and IV. of this Order, Respondents shall each submit to the Commission a verified written report setting forth in detail the manner and form in which it has complied, is complying, and will comply with this Order, the Order to Hold Separate and Maintain Assets, and the Order to Maintain Assets. Respondents shall each include in its compliance reports, among other things that are required from time to time, a full description of the efforts being made to comply with this Order, the Order to Hold Separate and Maintain Assets, and the Order to Maintain Assets, including a description of all substantive contacts or negotiations for the divestiture and the identity of all parties contacted. Respondents shall each include in its compliance reports copies of all written communications to and from such parties, all internal memoranda, and all reports and recommendations concerning divestiture;
- B. Beginning twelve (12) months after the date this Order becomes final, and annually thereafter on the anniversary of the date this Order becomes final, for the next nine (9) years, Linde shall submit to the Commission verified written reports setting forth in detail the manner and form in which it is complying and has complied with this Order, Order to Hold Separate and Maintain Assets, the Order to Maintain Assets, and the Divestiture Agreements. Linde shall submit at the same time a copy of these reports to the Hold Separate Trustee.

Decision and Order

VII.

IT IS FURTHER ORDERED that Linde or BOC shall notify the Commission at least thirty (30) days prior to: (1) any proposed dissolution of Linde or BOC; (2) any proposed acquisition, merger, or consolidation of Linde or BOC; or (3) any other change in Linde or BOC that may affect compliance obligations arising out of this Order, including but, not limited to, assignment, the creation or dissolution of subsidiaries, or any other change in Linde or BOC.

VIII.

IT IS FURTHER ORDERED that for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request with reasonable notice to Respondents, Respondents shall permit any duly authorized representative of the Commission:

- A. Access, during office hours of Respondents and in the presence of counsel, to all facilities, and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession or under the control of Respondents relating to any matters contained in this Order; and
- B. Upon five (5) days' notice to Linde or BOC and without restraint or interference from it, to interview officers, directors, or employees of Linde or BOC, who may have counsel present, regarding any such matters.

IX.

IT IS FURTHER ORDERED that this Order shall terminate ten (10) years from the date the Order is issued.

By the Commission.

**NON-PUBLIC
APPENDIX A
TO THE DECISION AND ORDER**

**CANDIDATE ATMOSPHERIC GASES EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

**NON-PUBLIC
APPENDIX B
TO THE DECISION AND ORDER**

**HELIUM CONTAINERS TO BE DIVESTED IF TNSC IS
THE HELIUM ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX C
TO THE DECISION AND ORDER**

**HELIUM CONTAINERS TO BE DIVESTED IF TNSC IS
NOT THE HELIUM ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX D
TO THE DECISION AND ORDER**

**EXCEPTED CONTRACTS FOR HELIUM FROM
TRANSFILL POINTS IF TNSC IS THE HELIUM
ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

**NON-PUBLIC
APPENDIX E
TO THE DECISION AND ORDER**

**HELIUM CUSTOMER CONTRACTS IN EUROPE AND
TURKEY
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX F
TO THE DECISION AND ORDER**

**EXCEPTED CONTRACTS FOR HELIUM FROM
TRANSFILL POINTS IF TNSC IS NOT THE HELIUM
ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

**NON-PUBLIC
APPENDIX G
TO THE DECISION AND ORDER**

**HELIUM CUSTOMER CONTRACTS IN EUROPE AND
TURKEY IF TNSC IS NOT THE HELIUM ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX H
TO THE DECISION AND ORDER**

**HELIUM DELIVERY ASSETS TO BE DIVESTED IF TNSC
IS THE HELIUM ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX I
TO THE DECISION AND ORDER**

**HELIUM DELIVERY ASSETS TO BE DIVESTED IF TNSC
IS NOT THE HELIUM ACQUIRER
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX J
TO THE DECISION AND ORDER**

**ADDITIONAL HELIUM EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX K
TO THE DECISION AND ORDER**

**KEY ATMOSPHERIC GAS EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX L
TO THE DECISION AND ORDER**

**KEY HELIUM EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

**NON-PUBLIC
APPENDIX M
TO THE DECISION AND ORDER**

**KEY HELIUM TRANSFILL EMPLOYEES
[Redacted From the Public Record
But Incorporated By Reference]**

**NON-PUBLIC
APPENDIX N
TO THE DECISION AND ORDER**

**MONITOR AGREEMENT BETWEEN LINDE AG AND
RICHARD M. KLEIN
[Redacted From the Public Record But Incorporated By
Reference]**

**NON-PUBLIC
APPENDIX O
TO THE DECISION AND ORDER**

**TNSC DIVESTITURE AGREEMENT
[Redacted From the Public Record
But Incorporated By Reference]**

Decision and Order

**NON-PUBLIC
APPENDIX P
TO THE DECISION AND ORDER**

**CONSENT TO ASSIGNMENT FROM EXXONMOBIL
HELIUM CONTRACT,
POLISH HELIUM CONTRACT, AND RUSSIA HELIUM
CONTRACT**

**[Redacted From the Public Record
But Incorporated By Reference]**

Analysis to Aid Public Comment

ANALYSIS OF CONSENT ORDERS TO AID PUBLIC COMMENT**I. Introduction**

The Federal Trade Commission (“Commission”) has accepted from Linde AG (“Linde”), subject to final approval, an Agreement Containing Consent Orders (“Consent Agreement”), which is designed to remedy the anticompetitive effects resulting from Linde’s acquisition of the entire share capital of The BOC Group plc (“BOC”).

Under the terms of the Consent Agreement, Linde is required to divest air separation units (“ASUs”) and related assets currently owned and operated by Linde in the following eight locations in which the proposed acquisition would lessen competition: (1) Canton, Ohio; (2) Dayton, Ohio; (3) Madison, Wisconsin; (4) Waukesha, Wisconsin; (5) Carrollton, Georgia; (6) Jefferson, Georgia; (7) Rockhill, South Carolina; and (8) Bozrah, Connecticut. The Consent Agreement also requires Linde to divest bulk refined helium assets, including helium source contracts, ancillary distribution assets, and customer contracts, to Taiyo Nippon Sanso Corporation (“Nippon Sanso”).

The proposed Consent Agreement has been placed on the public record for 30 days to solicit comments from interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the proposed Consent Agreement, and will decide whether it should withdraw from the proposed Consent Agreement or make it final.

Pursuant to a tender offer and agreement dated March 6, 2006, Linde announced its intention to acquire the entire share capital of BOC for an aggregate purchase price of approximately \$14.4 billion. Consummation of this transaction is subject to acceptance of the offer by a sufficient number of the shareholders of BOC.

Analysis to Aid Public Comment

The Commission's complaint alleges the facts described below and that the proposed acquisition, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, by lessening competition in the market for bulk refined helium worldwide, and certain regional markets in the United States for liquid oxygen and liquid nitrogen.

II. The Parties

Linde is a global supplier of industrial and medical gases and related equipment. Linde LLC is the parent corporation of the United States subsidiary that manufactures and sells a variety of industrial gases, including oxygen, nitrogen, argon, helium, and many other industrial and speciality gases for use in a variety of industries, including the medical, welding, and metal production fields. Linde is the fifth-largest industrial gas supplier in the United States with 11 liquid atmospheric gas producing plants in the United States, most of which are concentrated in the Midwest, Northeast, and Southeast.

BOC is the world's second-largest industrial gas supplier, and the fourth-largest supplier in the United States. BOC operates 23 liquid atmospheric gas producing plants in the United States, many of which are concentrated in the Midwest, Northeast, and Southeast regions, as well as the West and Gulf Coast regions.

III. Liquid Oxygen and Liquid Nitrogen

Both Linde and BOC own and operate ASUs in the United States that produce liquid atmospheric gases, including liquid oxygen and liquid nitrogen. Each gas has specific properties that make it uniquely suited for the applications in which it is used. For most of these applications, there is no substitute for the use of oxygen or nitrogen. Customers would not switch to another gas or product even if the price of liquid oxygen or liquid nitrogen increased by five to ten percent.

Analysis to Aid Public Comment

There are three distinct methods of distributing oxygen and nitrogen: in cylinders, in liquid form, and through on-site ASUs or pipelines. Customers choose a distribution method based on the volume of gas required. Customers who use liquid oxygen or liquid nitrogen require volumes of these gases that are too large to purchase economically in cylinders, but too small to justify the expense of an on-site ASU or pipeline. Thus, even if the price of liquid oxygen or liquid nitrogen increased by five to ten percent, customers would not switch to another method of distribution.

Due to high transportation costs, liquid oxygen and liquid nitrogen may only be purchased economically from a supplier with an ASU located within 150 to 250 miles of the customer. Therefore, it is appropriate to analyze the competitive effects of the proposed acquisition in local geographic markets for liquid oxygen and liquid nitrogen. The relevant geographic markets in which to analyze the effects of the proposed acquisition are the Northeast, the Chicago-Milwaukee Metropolitan Area, the Eastern Midwest, and the Southeast.

The markets for liquid oxygen and liquid nitrogen are highly concentrated. In each of the relevant geographic markets, Linde and BOC are two of only five companies supplying liquid oxygen and liquid nitrogen to customers. As a result of the proposed acquisition, a significant competitor would be eliminated, and a small number of viable competitors would remain. In addition, certain market conditions, including the relative homogeneity of the firms and products involved and availability of detailed market information, are conducive to the firms reaching terms of coordination and detecting and punishing deviations from those terms. Therefore, the proposed acquisition would enhance the likelihood of collusion or coordinated action between or among the remaining firms in each market. Furthermore, by eliminating direct competition between these two suppliers in these areas, the proposed acquisition likely would allow Linde to exercise market power unilaterally, thereby increasing the likelihood that

Analysis to Aid Public Comment

purchasers of liquid oxygen or liquid nitrogen would be forced to pay higher prices in these areas. The proposed acquisition provides Linde a larger base of sales on which to enjoy the benefit of a unilateral price increase and also eliminates a competitor to which customers otherwise could have diverted their sales in markets where alternative sources of supply likely are already limited. In addition, in certain geographic markets, Linde and BOC are the two closest competitors to a significant number of customers.

Significant impediments to new entry exist in the markets for liquid oxygen and liquid nitrogen. In order to be cost competitive in these markets, an ASU must produce at least 250 to 300 tons per day of liquid product. The cost to construct a plant sufficiently large to be cost effective can be 30 to 40 million dollars, most of which are sunk costs and cannot be recovered. Although an ASU can theoretically be constructed within two years, it is not economically justifiable to build an ASU before contracting to sell a substantial portion of the plant's capacity, either to an on-site customer or to liquid customers. On-site customers normally sign long-term contracts. Because such opportunities to contract with these customers are rare, it is uncertain whether such an opportunity would arise in the near future in any of the areas affected by the acquisition. It is even more difficult and time-consuming for a potential new entrant to try to contract with enough liquid gas customers to justify building a new ASU. These customers are generally locked into contracts with existing suppliers that typically last between five and seven years. Even if the new entrant were able to contract with enough customers to justify constructing a new ASU in any of the affected markets, the new entrant may still need to rely on suppliers already in the market to obtain liquid gases to service the new entrant's customers while the ASU was constructed. Given the difficulties of entry, it is unlikely that new entry could be accomplished in a timely manner in the liquid oxygen and liquid nitrogen markets to defeat a likely price increase caused by the acquisition.

Analysis to Aid Public Comment

IV. Bulk Refined Helium

Both Linde and BOC are suppliers of bulk refined helium. Bulk refined helium has specific properties that make it uniquely suited for the applications in which it is used. For most of these applications, there is no substitute for bulk refined helium. Customers likely would not switch to another gas or product even if the price of bulk refined helium increased by five to ten percent.

Refined helium is available to customers in two distinct distribution methods: cylinder form or bulk form. Customers choose a distribution method based on the volume of gas required. Bulk form is generally used by customers that require large volumes of refined helium. In bulk form, refined helium may be packaged into containers known as “dewars” and then distributed in liquid form to customers. Refined helium may also be converted into gaseous form and distributed in high-pressure “tube trailers” in bulk quantities to customers. Bulk refined helium customers obtain helium in bulk form (liquid dewars or gaseous tube trailers) because it is the most cost-effective method of purchasing the volume of refined helium they require. Therefore, customers would not switch to purchasing refined helium via another method of distribution even if the prices of bulk refined helium distributed by one method increased by five to ten percent.

Refined helium is a rare and expensive gas. Because of its high value, refined helium can be, and is, transported economically on a worldwide basis. Because helium is transported globally, foreign helium capacity and demand impact the demand and pricing for domestically-produced helium. Therefore, it is appropriate to analyze the competitive effects of the proposed acquisition using a worldwide market for bulk refined helium.

Analysis to Aid Public Comment

The market for bulk refined helium is highly concentrated. Linde and BOC are two of only five companies in the world with access to refined bulk helium; BOC is the second-largest supplier, and a combined Linde/BOC would become the largest. While Linde is currently the smallest of the five, it has substantial new reserves coming on line in the near future, and already is an aggressive participant in the market for refined bulk helium. In addition, certain market conditions, including the relative homogeneity of the firms and products involved and availability of detailed market information, are conducive to the firms reaching terms of coordination and detecting and punishing deviations from those terms. The Commission's complaint charges that the proposed acquisition would enhance the likelihood of collusion or coordinated action among the remaining firms in the market.

There are substantial barriers to entry in the bulk refined helium market. The most significant impediment to entry is securing a source of refined helium. There are no sources of refined helium available that are not committed to market incumbents in long term contracts. A new entrant would need to locate a new source of crude helium and build a refinery. In addition, tens of millions of dollars would be needed to acquire the necessary infrastructure and ancillary distribution assets, including transfill facilities, cryogenic storage trailers, high-pressure tube trailers and liquid dewars, capable of transporting helium from the refinery to customers. While the costs of entering are high, opportunities to recoup these costs are comparatively limited. As with other industrial gases, helium is sold pursuant to long-term contracts, so only a fraction of the market is available at a given time. Given the difficulties of entering the market, it is unlikely that new entry sufficient to counteract the competitive impact of the proposed acquisition would occur in a timely manner in the market for bulk refined helium.

Analysis to Aid Public Comment

V. The Consent Agreement**A. Liquid Oxygen and Liquid Nitrogen**

The proposed Consent Agreement remedies the acquisition's likely anticompetitive effects in the markets for liquid oxygen and liquid nitrogen. Pursuant to the Consent Agreement, Linde will divest all of its merchant liquid oxygen and nitrogen producing business in the identified geographic markets. Thus, Linde will divest the eight ASUs listed in Section I to a single purchaser that will operate the ASUs as a going concern. The Consent Agreement provides that Linde must find a buyer for the ASUs, at no minimum price, that is acceptable to the Commission, no later than six months from the date the Consent Agreement becomes final. If the Commission determines that Linde has not provided an acceptable buyer for the ASUs within this time period, or that the manner of the divestiture is not acceptable, the Commission may appoint a trustee to divest the assets. The trustee would have the exclusive power and authority to accomplish the divestiture.

The acquirer of the divested assets must receive the prior approval of the Commission. The Commission's goal in evaluating possible purchasers of divested assets is to maintain the competitive environment that existed prior to the acquisition. A proposed acquirer of divested assets must not itself present competitive problems. Numerous entities are interested in purchasing the divested ASUs, including industrial gas suppliers that currently have a regional presence in the industry, but do not compete in the areas affected by the acquisition, as well as entities in related fields that are interested in entering the production and sale of industrial gases. The Commission is therefore satisfied that sufficient potential buyers for the divested liquid oxygen and liquid nitrogen assets exist.

The Consent Agreement also contains an Agreement to Hold Separate and Maintain Assets. This will serve to protect the viability, marketability, and competitiveness of the divestiture

Analysis to Aid Public Comment

asset package until the assets are divested to a buyer approved by the Commission. The Agreement to Hold Separate and Maintain Assets became effective on the date the Commission accepted the Consent Agreement for placement on the public record and will remain in effect until Linde successfully divests the divestiture asset package according to the terms of the Decision and Order.

The Commission has appointed Richard Klein to oversee the management of the divestiture asset package until the divestiture is complete, and for a brief transition period after the sale. Mr. Klein has approximately 23 years experience as the Chief Executive Officer of a global specialty chemicals manufacturer, and is well-respected in the industry. In order to ensure that the Commission remains informed about the status of the proposed divestitures, the proposed Consent Agreement requires the parties to file periodic reports with the Commission until the divestiture is accomplished.

B. Bulk Refined Helium

The Consent Agreement resolves the proposed acquisition's likely anticompetitive effects in the bulk refined helium market by requiring Linde to divest bulk refined helium assets, including helium source contracts, ancillary distribution assets, and customer contracts, to Nippon Sanso no later than ten days after the acquisition. A buyer upfront remedy was required in this market because the helium assets to be divested do not constitute a stand-alone business and require key third-party consents for their transfer under the Order.

Nippon Sanso is particularly well-positioned to compete successfully with the divested helium assets. Nippon Sanso is the largest industrial and speciality gas company in Japan, and is the sixth-largest industrial gas company in the world. Matheson Tri-Gas, Nippon Sanso's U.S. subsidiary, is the sixth-largest industrial gas supplier in the United States. Although it lacks helium sourcing contracts, Nippon Sanso is one of the world's

Analysis to Aid Public Comment

largest helium distributors, selling helium to end-users in the United States and Japan. (Nippon Sanso, however, does not have current access to bulk refined helium.) Having access to the helium sourcing contracts and other ancillary helium assets will provide Nippon Sanso the ability to grow its helium business in the U.S., European, and Asian markets. Nippon Sanso should be successful in restoring the competition that likely would be lost if the proposed Linde/BOC transaction were to proceed unremedied.

If the Commission determines that Nippon Sanso is not an acceptable purchaser, or the manner of the divestiture is not acceptable, the parties must unwind the sale to Nippon Sanso and divest the bulk refined helium assets within six months of the date the Order becomes final to another Commission-approved acquirer. If the parties fail to divest within six months, the Commission may appoint a trustee to divest the bulk refined helium assets.

The Consent Agreement also contains an Order to Maintain Assets. This will serve to ensure that the helium assets are protected and divested in substantially the same condition existing at the time the Consent Agreement was signed. The Order to Maintain Assets became effective on the date the Commission accepted the Consent Agreement for placement on the public record and will remain in effect until Linde successfully divests the helium assets according to the terms of the Decision and Order.

The Commission has also appointed Mr. Klein to oversee the transition in ownership of the divested helium assets to Nippon Sanso and to ensure Linde's and BOC's compliance with all of the provisions of the proposed Consent Agreement. In order to ensure that the Commission remains informed about the status of the proposed divestitures, the proposed Consent Agreement requires Mr. Klein to file reports with the Commission periodically until the divestiture is accomplished.

Analysis to Aid Public Comment

The purpose of this analysis is to facilitate public comment on the Consent Agreement, and it is not intended to constitute an official interpretation of the proposed Decision and Order or the Agreement to Hold Separate, or to modify their terms in any way.

Complaint

IN THE MATTER OF

CARDSYSTEMS SOLUTIONS, INC.CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATIONS OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-4168; File No. 052 3148**Complaint, September 5, 2006 – Decision, September 5, 2006*

This consent order relates to personal information collected from and about consumers by respondent CardSystems Solutions Inc. and its successor, Solidus Networks, Inc., doing business as Pay By Touch Solutions. The companies provide merchants with products and services used in “authorization processing” – obtaining approval for credit and debit card purchases from banks that issued the cards. CardSystems stored personal information on its computer network and failed to employ reasonable and appropriate security measures to protect the information. The order requires CardSystems and Pay By Touch to establish and maintain a comprehensive information security program in writing that is reasonably designed to protect the security, confidentiality, and integrity of personal information they collect from or about consumers. The security program must contain administrative, technical, and physical safeguards appropriate to their size and complexity, the nature and scope of their activities, and the sensitivity of the personal information collected. In addition, the order requires the respondents to obtain periodic assessments and reports from a qualified, objective, independent third-party professional, certifying, among other things, that they have in place a security program that provides protections that meet or exceed the protections required by this order, and their security program is operating with sufficient effectiveness to provide reasonable assurance that the security, confidentiality, and integrity of consumers’ personal information has been protected. Additional provisions relate to reporting and compliance.

Participants

For the *Commission*: Molly Crawford, Lara Kaufman, and
Alain Sheer.

For the *Respondent*: W. Stephen Cannon, Constantine
Cannon.