

EASTMAN CHEMICAL CO

Form S-4/A

April 20, 2012

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As filed with the Securities and Exchange Commission on April 20, 2012

Registration No. 333-179975

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

EASTMAN CHEMICAL COMPANY

(Exact name of registrant as specified in its charter)

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Delaware (State or Other Jurisdiction of Incorporation or Organization)	2821 (Primary Standard Industrial Classification Code Number)	62-1539359 (I.R.S. Employer Identification Number)
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200 South Wilcox Drive
Kingsport, Tennessee 37662
(423) 229-2000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Theresa K. Lee, Esq.
Senior Vice President, Chief Legal and Administrative Officer
Eastman Chemical Company
P.O. Box 431
Kingsport, Tennessee 37662
(423) 229-2000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

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Atlanta, Georgia 30309		(212) 446-4800

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(404) 521-3939

(314) 674-1000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable on or after the effective date of this registration statement after all other conditions to the completion of the exchange offer described herein have been satisfied or waived.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐
If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount to be registered (1)(2)	Proposed maximum offering price per unit	Proposed maximum aggregate offering price (3)	Amount of registration fee (4)
Common stock, par value \$0.01 per share	15,770,889	N/A	\$752,402,852.28	\$ 86,225.37 (5)

- (1) Pursuant to Rule 416 under the Securities Act of 1933 (the "Securities Act"), this registration statement also covers an indeterminate number of additional shares of common stock, par value \$0.01 per share ("Eastman common stock"), of Eastman Chemical Company ("Eastman") as may be issuable as a result of stock splits, stock dividends or similar transactions.
- (2) Represents the maximum number of shares of Eastman common stock issuable to holders of common stock, par value \$0.01 per share ("Solutia common stock"), of Solutia Inc. ("Solutia"), and certain warrants to acquire shares of Solutia common stock, in the merger of Eagle Merger Sub Corporation, a wholly owned subsidiary of Eastman, with and into Solutia, with Solutia surviving as an indirect wholly owned subsidiary of Eastman (the "merger").
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c), 457(f)(1) and 457(f)(3) under the Securities Act. The proposed maximum aggregate offering price was calculated based upon the market value of shares of Solutia common stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act by multiplying (1) \$27.725, the average of the high and low prices per share of Solutia common stock on the New York Stock Exchange on March 6, 2012, by (2) 131,424,079, which is the maximum number of shares of Solutia common stock (including: (a) 4,225,862 shares of Solutia common stock issuable under options, restricted stock awards, restricted stock unit awards, performance share awards and performance share unit awards granted and available for grant under Solutia's equity incentive plans; and (b) 4,481,250 shares of Solutia common stock underlying currently exercisable warrants to acquire Solutia common stock, each of which will be assumed by Eastman in the merger and converted

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into warrants to acquire (1) \$22.00 in cash, without interest, and (2) 0.12 shares of Eastman common stock) that may be cancelled in the merger. Pursuant to Rule 457(f)(3) under the Securities Act, the amount of cash that may be payable by Eastman in the merger has been deducted from the proposed maximum aggregate offering price (computed by multiplying (a) the cash consideration of \$22.00 per share of Solutia common stock by (b) the maximum number of shares of Solutia common stock that may be cancelled in the merger).

- (4) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to \$114.60 per \$1,000,000 of the proposed maximum aggregate offering price.
- (5) Previously paid.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. Eastman Chemical Company may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and Eastman Chemical Company is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 20, 2012

PROXY STATEMENT/PROSPECTUS

PROPOSED MERGER YOUR VOTE IS IMPORTANT

Dear fellow stockholders of Solutia Inc.:

The boards of directors of Solutia Inc., or Solutia, and Eastman Chemical Company, or Eastman, have each approved an agreement and plan of merger, entered into on January 26, 2012 and referred to as the merger agreement, providing for Solutia to be acquired by Eastman, which transaction is referred to as the merger. You are cordially invited to attend a special meeting of Solutia stockholders to be held at 10:00 a.m., local time, on _____, 2012, at _____.

At the Solutia special meeting, you will be asked to consider and vote upon a proposal to adopt the merger agreement, pursuant to which Solutia would be acquired through a merger with a wholly owned subsidiary of Eastman. If the merger contemplated by the merger agreement is completed, each outstanding share of common stock of Solutia outstanding immediately prior to the effective time of the merger, other than shares held by any stockholder who is entitled to exercise and properly exercises appraisal rights with respect to such shares pursuant to the General Corporation Law of the State of Delaware, will be converted into the right to receive (1) \$22.00 in cash, without interest, and (2) 0.12 shares of common stock of Eastman. This is referred to as the merger consideration. Eastman expects that it may issue up to 15,770,889 shares of Eastman common stock in the merger. The implied value of the stock portion of the merger consideration will fluctuate as the market price of Eastman common stock fluctuates. You should obtain current stock price quotations for Eastman common stock and Solutia common stock before deciding how to vote with respect to the adoption of the merger agreement. Eastman common stock and Solutia common stock are listed for trading on the New York Stock Exchange under the symbols EMN and SOA, respectively.

At the Solutia special meeting, you also will be asked to consider and vote upon a proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Solutia's named executive officers that is based on or otherwise relates to the merger and a proposal to adjourn the Solutia special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Solutia special meeting.

After careful consideration, the Solutia board of directors unanimously approved the merger agreement, the merger and the other transactions contemplated by the merger agreement and declared that the merger agreement, the merger and the other transactions contemplated by the merger agreement are advisable, fair to and in the best interests of Solutia and its stockholders. **The Solutia board of directors unanimously recommends that you vote FOR the adoption of the merger agreement; FOR the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Solutia's named executive officers that is based on or otherwise relates to the merger; and FOR the approval of the adjournment of the Solutia special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Solutia special meeting.**

The accompanying document is a proxy statement of Solutia and a prospectus of Eastman, and provides you with information about Solutia, Eastman, the proposed merger and the special meeting of Solutia stockholders. Solutia encourages you to read the entire proxy statement/prospectus carefully.

You may also obtain more information about Solutia and Eastman from documents Solutia and Eastman have filed with the Securities and Exchange Commission.

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For a discussion of risk factors you should consider in evaluating the merger agreement you are being asked to adopt, see **Risk Factors** beginning on page 24 of the accompanying proxy statement/prospectus.

Your vote is important. Adoption of the merger agreement requires the approval of the holders of a majority of the outstanding shares of Solutia common stock. The failure of any stockholder to vote will have the same effect as a vote against adopting the merger agreement. Accordingly, whether or not you plan to attend the Solutia special meeting, you are requested to promptly vote your shares by proxy electronically via the Internet, by telephone or by sending in the appropriate paper proxy card as instructed in these materials. If you sign, date and mail your proxy card without indicating how you wish to vote, your vote will be counted as a vote **FOR each of the proposals described in the accompanying proxy statement/prospectus.**

Granting a proxy will not prevent you from voting your shares in person if you choose to attend the Solutia special meeting.

We thank you for your continued support of Solutia.

Sincerely,

JEFFRY N. QUINN

Chairman of the Board, President and Chief Executive Officer
Solutia Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger described in the accompanying proxy statement/prospectus nor have they approved or disapproved of the issuance of the Eastman common stock in connection with the merger, or determined if the accompanying proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated _____, 2012 and is first being mailed to Solutia stockholders on or about _____, 2012.

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SOLUTIA INC.

575 Maryville Centre Drive

St. Louis, Missouri 63141

(314) 674-1000

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON _____, 2012

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Solutia Inc., or Solutia, will be held at 10:00 a.m., local time, on _____, 2012, at _____. Holders of Solutia common stock at the close of business on May 4, 2012 (such date and time, the record date) will be asked to:

- Proposal1. consider and vote upon the adoption of the Agreement and Plan of Merger, dated January 26, 2012, as it may be amended from time to time, by and among Solutia, Eastman Chemical Company, or Eastman, and Eagle Merger Sub Corporation (the merger agreement);
- Proposal2. consider and vote, on a non-binding, advisory basis, to approve compensation that may be paid or become payable to Solutia's named executive officers that is based on or otherwise relates to the merger contemplated by the merger agreement; and
- Proposal3. consider and vote upon the approval of the adjournment of the Solutia special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Solutia special meeting.

Please refer to the attached proxy statement/prospectus and the merger agreement for further information with respect to the business to be transacted at the Solutia special meeting. Solutia expects to transact no other business at the meeting, except for business properly brought before the meeting and any adjournment or postponement thereof. Holders of record of Solutia common stock as of the record date will be entitled to notice of and to vote at the Solutia special meeting with regard to Proposals 1-3 described above.

The Solutia board of directors unanimously recommends that you vote FOR the adoption of the merger agreement; FOR the approval, on a non-binding, advisory basis, of the compensation that may be paid or become payable to Solutia's named executive officers that is based on or otherwise relates to the merger; and FOR the approval of the adjournment of the Solutia special meeting, if necessary, to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Solutia special meeting.

Your vote is important regardless of the number of shares that you own. Whether or not you plan on attending the Solutia special meeting, we urge you to read the proxy statement/prospectus carefully and to please vote your shares as promptly as possible. You may vote your shares by proxy electronically via the Internet, by telephone, by completing and sending in the appropriate paper proxy card or in person at the Solutia special meeting.

All Solutia stockholders as of the record date are cordially invited to attend the Solutia special meeting.

By Order of the Board of Directors

Miriam Rogers Singer
Vice President and Corporate Secretary

St. Louis, Missouri

, 2012

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about each of Eastman and Solutia from documents that each company has filed or will file with the Securities and Exchange Commission, or the SEC, but that are not being included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You may read and copy the documents incorporated by reference in this proxy statement/prospectus, other than certain exhibits to those documents, and other information about each of Eastman and Solutia that is filed with the SEC under the Securities and Exchange Act of 1934, or the Exchange Act, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. You can also obtain such documents free of charge through the SEC's website, www.sec.gov, or by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

For information about Eastman Chemical Company:

By Mail: Eastman Chemical Company

P.O. Box 431

Kingsport, Tennessee 37662
Attention: Investor Relations

By Telephone: (423) 229-4647

If you would like to request any documents, please do so by

For information about Solutia Inc.:

By Mail: Solutia Inc.

575 Maryville Centre Drive

St. Louis, Missouri 63141
Attention: Investor Relations

By Telephone: (314) 674-1000

, 2012 in order to receive them before the Solutia special meeting.

For additional information on documents incorporated by reference in this proxy statement/prospectus, please see **Where You Can Find More Information** beginning on page 167. Please note that information contained on the websites of Eastman or Solutia is not incorporated by reference in, nor considered to be part of, this proxy statement/prospectus.

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ABOUT THIS PROXY STATEMENT/PROSPECTUS

Eastman has supplied all information contained in or incorporated by reference into this proxy statement/prospectus relating to Eastman. Solutia has supplied all information contained in or incorporated by reference into this proxy statement/prospectus relating to Solutia. Eastman and Solutia have both contributed to information relating to the merger.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in or incorporated by reference into this proxy statement/prospectus. This proxy statement/prospectus is dated _____, 2012. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than the date hereof. You should not assume that the information contained in any document incorporated or deemed to be incorporated by reference herein is accurate as of any date other than the date of such document. Any statement contained in a document incorporated or deemed to be incorporated by reference into this proxy statement/prospectus will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference into this proxy statement/prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this proxy statement/prospectus. Neither the mailing of this proxy statement/prospectus to the stockholders of Solutia nor the taking of any actions contemplated hereby by Eastman or Solutia at any time will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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DEFINED TERMS

This proxy statement/prospectus generally avoids the use of technical defined terms, but a few frequently used terms may be helpful for you to have in mind at the outset. Unless otherwise specified or if the context so requires, this proxy statement/prospectus refers to:

the transaction pursuant to which Eastman's wholly owned subsidiary, Merger Sub, will merge with and into Solutia, and Solutia will become an indirect wholly owned subsidiary of Eastman, and the conversion of shares of, and adjustment of warrants to acquire, Solutia common stock into rights to receive cash and shares of Eastman common stock, as the merger ;

the Agreement and Plan of Merger, dated January 26, 2012 (as it may be amended from time to time), by and among Solutia, Eastman and Merger Sub, pursuant to which the merger will be completed, as the merger agreement ;

the (1) \$22.00 in cash, without interest, and (2) 0.12 shares of Eastman common stock to be paid by Eastman in exchange for each share of Solutia common stock pursuant to the terms of the merger agreement, as the merger consideration ;

Eastman Chemical Company, a Delaware corporation, as Eastman ;

the board of directors of Eastman as the Eastman board of directors ;

the amended and restated bylaws of Eastman as the Eastman Bylaws ;

the amended and restated certificate of incorporation of Eastman as the Eastman Charter ;

the common stock, par value \$0.01 per share, of Eastman as Eastman common stock ;

Eagle Merger Sub Corporation, a Delaware corporation and a wholly owned subsidiary of Eastman, as Merger Sub ;

Solutia Inc., a Delaware corporation, as Solutia ;

the board of directors of Solutia as the Solutia board of directors ;

the second amended and restated bylaws of Solutia as the Solutia Bylaws ;

the second amended and restated certificate of incorporation of Solutia as the Solutia Charter ;

the common stock, par value \$0.01 per share, of Solutia as Solutia common stock ;

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the Solutia Inc. Management Long-Term Incentive Plan, as amended, and the Solutia Non-Employee Director Stock Compensation Plan, together, as the Solutia Equity Plans ; and

the General Corporation Law of the State of Delaware, as the DGCL.

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QUESTIONS AND ANSWERS

The questions and answers below highlight only selected information from this proxy statement/prospectus. They do not contain all of the information that may be important to you. The Solutia board of directors is soliciting proxies from its stockholders to vote at a special meeting of Solutia stockholders, to be held at 10:00 a.m., local time, on _____, 2012, at _____, and any adjournment or postponement of that meeting. You should read carefully this entire proxy statement/prospectus and the additional documents incorporated by reference into this proxy statement/prospectus to fully understand the matters to be acted upon and the voting procedures for the Solutia special meeting.

Q: Why have I received this proxy statement/prospectus?

A: The boards of directors of Solutia and Eastman have each approved a merger agreement, entered into on January 26, 2012, providing for Solutia to be acquired by Eastman. A copy of the merger agreement is attached to this proxy statement/prospectus as *Annex A*, which we encourage you to review.

In order to complete the merger Solutia stockholders must vote to adopt the merger agreement.

This document is being delivered to you as both a proxy statement of Solutia and a prospectus of Eastman. It is a proxy statement because the Solutia board of directors is soliciting proxies from its stockholders to vote on the adoption of the merger agreement at a special meeting of Solutia stockholders as well as the other matters set forth in the notice of the meeting and described in this proxy statement/prospectus, and your proxy will be used at the meeting or at any adjournment or postponement of the meeting. It is a prospectus because Eastman will issue Eastman common stock to Solutia stockholders in the merger. On or about _____, 2012, Solutia intends to begin to deliver to its stockholders of record as of the close of business on May 4, 2012 printed versions of these materials.

Your vote is important. The Solutia board of directors encourages you to vote as soon as possible.