

Section 1: 10-Q

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2012
Or
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
(Commission File Number) 001-32410

 **Celanese**
CELANESE CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

222 W. Las Colinas Blvd., Suite 900N
Irving, TX
(Address of Principal Executive Offices)

98-0420726
(I.R.S. Employer
Identification No.)

75039-5421
(Zip Code)

(972) 443-4000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of outstanding shares of the registrant's Series A common stock, \$0.0001 par value, as of July 18, 2012 was 159,224,832.

CELANESE CORPORATION AND SUBSIDIARIES

Form 10-Q
For the Quarterly Period Ended June 30, 2012

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CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
	(In \$ millions, except share and per share data)			
Net sales	1,675	1,753	3,308	3,342
Cost of sales	(1,344)	(1,343)	(2,707)	(2,581)
Gross profit	331	410	601	761
Selling, general and administrative expenses	(124)	(140)	(258)	(268)
Amortization of intangible assets	(13)	(17)	(26)	(33)
Research and development expenses	(26)	(25)	(52)	(48)
Other (charges) gains, net	(3)	(18)	(3)	(15)
Foreign exchange gain (loss), net	(1)	(1)	—	—
Gain (loss) on disposition of businesses and assets, net	—	—	—	—
Operating profit (loss)	164	209	262	397
Equity in net earnings (loss) of affiliates	62	46	113	89
Interest expense	(45)	(57)	(90)	(112)
Refinancing expense	—	(3)	—	(3)
Interest income	—	—	1	1
Dividend income - cost investments	84	79	84	79
Other income (expense), net	(1)	6	1	9
Earnings (loss) from continuing operations before tax	264	280	371	460
Income tax (provision) benefit	(54)	(75)	22	(117)
Earnings (loss) from continuing operations	210	205	393	343
Earnings (loss) from operation of discontinued operations	—	(3)	—	3
Gain (loss) on disposition of discontinued operations	—	—	—	—
Income tax (provision) benefit from discontinued operations	—	1	—	(1)
Earnings (loss) from discontinued operations	—	(2)	—	2
Net earnings (loss)	210	203	393	345
Net (earnings) loss attributable to noncontrolling interests	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	210	203	393	345
Cumulative preferred stock dividends	—	—	—	—
Net earnings (loss) available to common stockholders	210	203	393	345
Amounts attributable to Celanese Corporation				
Earnings (loss) from continuing operations	210	205	393	343
Earnings (loss) from discontinued operations	—	(2)	—	2
Net earnings (loss)	210	203	393	345
Earnings (loss) per common share - basic				
Continuing operations	1.33	1.31	2.50	2.20
Discontinued operations	—	(0.01)	—	0.01
Net earnings (loss) - basic	1.33	1.30	2.50	2.21
Earnings (loss) per common share - diluted				
Continuing operations	1.31	1.29	2.47	2.16
Discontinued operations	—	(0.01)	—	0.01
Net earnings (loss) - diluted	1.31	1.28	2.47	2.17
Weighted average shares - basic	158,128,906	156,280,721	157,335,665	156,124,358
Weighted average shares - diluted	159,740,453	159,209,400	159,410,607	158,938,911

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME (LOSS)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
	(In \$ millions)			
Net earnings (loss)	210	203	393	345
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on marketable securities	—	—	—	—
Foreign currency translation	(50)	29	(24)	87
Unrealized gain (loss) on interest rate swaps	—	—	1	9
Pension and postretirement benefits	9	5	15	8
Total other comprehensive income (loss), net of tax	(41)	34	(8)	104
Total comprehensive income (loss), net of tax	169	237	385	449
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	169	237	385	449

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS

	As of June 30, 2012	As of December 31, 2011
(In \$ millions, except share data)		
ASSETS		
Current assets		
Cash and cash equivalents	800	682
Trade receivables - third party and affiliates (net of allowance for doubtful accounts - 2012: \$9; 2011: \$9)	957	871
Non-trade receivables, net	177	235
Inventories	726	712
Deferred income taxes	106	104
Marketable securities, at fair value	60	64
Other assets	40	35
Total current assets	2,866	2,703
Investments in affiliates	756	824
Property, plant and equipment (net of accumulated depreciation - 2012: \$1,403; 2011: \$1,316)	3,265	3,269
Deferred income taxes	562	421
Other assets	390	344
Goodwill	756	760
Intangible assets, net	184	197
Total assets	8,779	8,518
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	131	144
Trade payables - third party and affiliates	688	673
Other liabilities	466	539
Deferred income taxes	18	17
Income taxes payable	37	12
Total current liabilities	1,340	1,385
Long-term debt	2,845	2,873
Deferred income taxes	130	92
Uncertain tax positions	172	182
Benefit obligations	1,392	1,492
Other liabilities	1,123	1,153
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.01 par value, 100,000,000 shares authorized (2012 and 2011: 0 issued and outstanding)	—	—
Series A common stock, \$0.0001 par value, 400,000,000 shares authorized (2012: 182,838,190 issued and 159,280,186 outstanding; 2011: 179,385,105 issued and 156,463,811 outstanding)	—	—
Series B common stock, \$0.0001 par value, 100,000,000 shares authorized (2012 and 2011: 0 issued and outstanding)	—	—
Treasury stock, at cost (2012: 23,558,004 shares; 2011: 22,921,294 shares)	(888)	(860)
Additional paid-in capital	725	627
Retained earnings	2,798	2,424
Accumulated other comprehensive income (loss), net	(858)	(850)
Total Celanese Corporation stockholders' equity	1,777	1,341
Noncontrolling interests	—	—
Total equity	1,777	1,341
Total liabilities and equity	8,779	8,518

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF EQUITY

	Six Months Ended June 30, 2012	
	Shares	Amount
	(In \$ millions, except share data)	
Series A common stock		
Balance as of the beginning of the period	156,463,811	—
Stock option exercises	3,351,483	—
Purchases of treasury stock	(636,710)	—
Stock awards	101,602	—
Balance as of the end of the period	<u>159,280,186</u>	<u>—</u>
Treasury stock		
Balance as of the beginning of the period	22,921,294	(860)
Purchases of treasury stock, including related fees	636,710	(28)
Balance as of the end of the period	<u>23,558,004</u>	<u>(888)</u>
Additional paid-in capital		
Balance as of the beginning of the period		627
Stock-based compensation, net of tax		12
Stock option exercises, net of tax		86
Balance as of the end of the period		<u>725</u>
Retained earnings		
Balance as of the beginning of the period		2,424
Net earnings (loss) attributable to Celanese Corporation		393
Series A common stock dividends		(19)
Balance as of the end of the period		<u>2,798</u>
Accumulated other comprehensive income (loss), net		
Balance as of the beginning of the period		(850)
Other comprehensive income (loss)		(8)
Balance as of the end of the period		<u>(858)</u>
Total Celanese Corporation stockholders' equity		<u>1,777</u>
Noncontrolling interests		
Balance as of the beginning of the period		—
Net earnings (loss) attributable to noncontrolling interests		—
Balance as of the end of the period		<u>—</u>
Total equity		<u>1,777</u>

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended	
	June 30,	
	2012	2011
	(In \$ millions)	
Operating activities		
Net earnings (loss)	393	345
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities		
Other charges (gains), net of amounts used	(6)	(11)
Depreciation, amortization and accretion	155	151
Deferred income taxes, net	(116)	(2)
(Gain) loss on disposition of businesses and assets, net	—	—
Refinancing expense	—	3
Value-added tax on deferred proceeds from Ticona Kelsterbach plant relocation	—	18
Other, net	92	42
Operating cash provided by (used in) discontinued operations	1	2
Changes in operating assets and liabilities		
Trade receivables - third party and affiliates, net	(96)	(195)
Inventories	(24)	(145)
Other assets	26	(11)
Trade payables - third party and affiliates	61	102
Other liabilities	(84)	17
Net cash provided by (used in) operating activities	402	316
Investing activities		
Capital expenditures on property, plant and equipment	(183)	(151)
Acquisitions, net of cash acquired	(23)	(8)
Proceeds from sale of businesses and assets, net	1	5
Deferred proceeds from Ticona Kelsterbach plant relocation	—	158
Capital expenditures related to Ticona Kelsterbach plant relocation	(35)	(114)
Other, net	(43)	(23)
Net cash provided by (used in) investing activities	(283)	(133)
Financing activities		
Short-term borrowings (repayments), net	(14)	(34)
Proceeds from long-term debt	—	411
Repayments of long-term debt	(19)	(553)
Refinancing costs	—	(8)
Purchases of treasury stock, including related fees	(28)	(13)
Stock option exercises	55	17
Series A common stock dividends	(19)	(16)
Preferred stock dividends	—	—
Other, net	29	(2)
Net cash provided by (used in) financing activities	4	(198)
Exchange rate effects on cash and cash equivalents	(5)	16
Net increase (decrease) in cash and cash equivalents	118	1
Cash and cash equivalents as of beginning of period	682	740
Cash and cash equivalents as of end of period	800	741

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Description of the Company and Basis of Presentation

Description of the Company

Celanese Corporation and its subsidiaries (collectively, the "Company") is a global technology and specialty materials company. The Company's business involves processing chemical raw materials, such as methanol, carbon monoxide and ethylene, and natural products, including wood pulp, into value-added chemicals, thermoplastic polymers and other chemical-based products.

Definitions

In this Quarterly Report, the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The term "Celanese US" refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

Basis of Presentation

The unaudited interim consolidated financial statements for the three and six months ended June 30, 2012 and 2011 contained in this Quarterly Report on Form 10-Q ("Quarterly Report") were prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for all periods presented. The unaudited interim consolidated financial statements and other financial information included in this Quarterly Report, unless otherwise specified, have been presented to separately show the effects of discontinued operations.

In the opinion of management, the accompanying unaudited consolidated balance sheets and related unaudited interim consolidated statements of operations, comprehensive income (loss), cash flows and equity include all adjustments, consisting only of normal recurring items necessary for their fair presentation in conformity with US GAAP. Certain information and footnote disclosures normally included in financial statements prepared in accordance with US GAAP have been condensed or omitted in accordance with rules and regulations of the Securities and Exchange Commission ("SEC"). These unaudited interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements as of and for the year ended December 31, 2011, filed on February 10, 2012 with the SEC as part of the Company's Annual Report on Form 10-K.

Operating results for the three and six months ended June 30, 2012 are not necessarily indicative of the results to be expected for the entire year.

In the ordinary course of business, the Company enters into contracts and agreements relative to a number of topics, including acquisitions, dispositions, joint ventures, supply agreements, product sales and other arrangements. The Company endeavors to describe those contracts or agreements that are material to its business, results of operations or financial position. The Company may also describe some arrangements that are not material but in which the Company believes investors may have an interest or which may have been included in a Form 8-K filing. Investors should not assume the Company has described all contracts and agreements relative to the Company's business in this Quarterly Report.

For those consolidated subsidiaries in which the Company's ownership is less than 100%, the outside stockholders' interests are shown as noncontrolling interests.

The Company has reclassified certain prior period amounts to conform to the current period's presentation.

Estimates and Assumptions

The preparation of unaudited interim consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the unaudited interim consolidated financial statements and the reported amounts of revenues, expenses and allocated charges during the reporting period. Significant estimates pertain to impairments of goodwill, intangible assets and other long-lived assets, purchase price allocations, restructuring costs and other (charges) gains, net, income taxes, pension and other postretirement benefits, asset retirement obligations, environmental liabilities and loss contingencies, among others. Actual results could differ from those estimates.

2. Recent Accounting Pronouncements

None.

3. Acquisitions, Dispositions, Ventures and Plant Closures

Acquisitions

On January 3, 2012, the Company completed the acquisition of certain assets from Ashland Inc., including two product lines, Vinac[®] and Flexbond[®], which will support the strategic growth of the Company's Emulsions business (Note 6). In February 2011, the Company acquired a business primarily consisting of emulsions process technology from Crown Paints Limited. Both of the acquired operations are included in the Industrial Specialties segment. Pro forma financial information since the respective acquisition dates has not been provided as the acquisitions did not have a material impact on the Company's financial information.

The Company allocated the purchase price of the acquisitions to identifiable intangible assets acquired based on their estimated fair values. The excess of purchase price over the aggregate fair values was recorded as goodwill. Intangible assets were valued using the relief from royalty and discounted cash flow methodologies which are considered Level 3 measurements under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("FASB ASC Topic 820"). The relief from royalty method estimates the Company's theoretical royalty savings from ownership of the intangible asset. Key assumptions used in this model include discount rates, royalty rates, growth rates, sales projections and terminal value rates, all of which require significant management judgment and, therefore, are susceptible to change. The key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, cash flow projections and terminal value rates. Discount rates, growth rates and cash flow projections are the most sensitive and susceptible to change as they require significant management judgment. The Company, with the assistance of third-party valuation consultants, calculated the fair value of the intangible assets acquired to allocate the purchase price at the respective acquisition date.

Plant Closures

• *Spondon, Derby, United Kingdom*

In August 2010, the Company announced it would consolidate its global acetate manufacturing capabilities by closing its acetate flake and tow manufacturing operations in Spondon, Derby, United Kingdom. The Company expects to serve its acetate customers under this proposal by optimizing its global production network, which includes facilities in Lanaken, Belgium; Narrows, Virginia; and Ocotlan, Mexico, as well as the Company's acetate affiliate facilities in China. The Company expects the closure of the acetate flake and tow manufacturing operations in Spondon, Derby, United Kingdom to occur during the second half of 2012. The Spondon, Derby, United Kingdom operations are included in the Consumer Specialties segment.

• *Pardies, France*

In July 2009, the Company completed the consultation process with the workers council on its "Project of Closure" and social plan related to the Company's Pardies, France facility pursuant to which the Company ceased all manufacturing operations and associated activities in December 2009. The Pardies, France operations are included in the Acetyl Intermediates segment.

4. Marketable Securities, at Fair Value

The Company's captive insurance companies and nonqualified trusts hold available-for-sale securities for capitalization and funding requirements, respectively.

The amortized cost, gross unrealized gain, gross unrealized loss and fair values for available-for-sale securities by major security type are as follows:

	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Fair Value
	(In \$ millions)			
Mutual funds	60	—	—	60
As of June 30, 2012	<u>60</u>	<u>—</u>	<u>—</u>	<u>60</u>
Mutual funds	64	—	—	64
As of December 31, 2011	<u>64</u>	<u>—</u>	<u>—</u>	<u>64</u>

See Note 16, Fair Value Measurements, for additional information regarding the fair value of the Company's marketable securities.

5. Inventories

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Finished goods	525	511
Work-in-process	37	38
Raw materials and supplies	164	163
Total	<u>726</u>	<u>712</u>

6. Goodwill and Intangible Assets, Net

Goodwill

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Total
	(In \$ millions)				
As of December 31, 2011					
Goodwill	294	246	35	185	760
Accumulated impairment losses	—	—	—	—	—
Net book value	<u>294</u>	<u>246</u>	<u>35</u>	<u>185</u>	<u>760</u>
Acquisitions (Note 3)	—	—	8	—	8
Exchange rate changes	(3)	(3)	(1)	(5)	(12)
As of June 30, 2012					
Goodwill	291	243	42	180	756
Accumulated impairment losses	—	—	—	—	—
Net book value	<u>291</u>	<u>243</u>	<u>42</u>	<u>180</u>	<u>756</u>

The Company assesses the recoverability of the carrying value of its reporting unit goodwill annually during the third quarter of its fiscal year using June 30 balances or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be fully recoverable.

Intangible Assets, Net

Finite-lived intangibles are as follows:

	Licenses	Customer-Related Intangible Assets	Developed Technology	Covenants Not to Compete and Other	Total
(In \$ millions)					
Gross Asset Value					
As of December 31, 2011	32	513	27	22	594
Acquisitions (Note 3)	—	4	3	6	13 ⁽¹⁾
Exchange rate changes	—	(10)	—	—	(10)
As of June 30, 2012	32	507	30	28	597
Accumulated Amortization					
As of December 31, 2011	(13)	(433)	(14)	(18)	(478)
Amortization	(2)	(20)	(2)	(2)	(26)
Exchange rate changes	—	10	—	—	10
As of June 30, 2012	(15)	(443)	(16)	(20)	(494)
Net book value	17	64	14	8	103

⁽¹⁾ Weighted average amortization period of intangible assets acquired was 6 years.

Indefinite-lived intangibles are as follows:

	Trademarks and Trade Names
(In \$ millions)	
As of December 31, 2011	81
Acquisitions (Note 3)	2
Exchange rate changes	(2)
As of June 30, 2012	81

The Company's trademarks and trade names have an indefinite life. Accordingly, no amortization expense is recorded on these intangible assets. For the six months ended June 30, 2012, the Company did not renew or extend any intangible assets.

Estimated amortization expense for the succeeding five fiscal years is as follows:

	(In \$ millions)
2013	32
2014	21
2015	10
2016	7
2017	6

7. Current Other Liabilities

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Salaries and benefits	70	101
Environmental (Note 11)	20	25
Restructuring (Note 13)	37	44
Insurance	16	19
Asset retirement obligations	32	22
Derivatives (Note 15)	17	26
Current portion of benefit obligations	47	47
Interest	25	25
Sales and use tax/foreign withholding tax payable	15	16
Uncertain tax positions	66	70
Other	121	144
Total	<u>466</u>	<u>539</u>

8. Noncurrent Other Liabilities

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Environmental (Note 11)	73	71
Insurance	65	64
Deferred revenue	37	40
Deferred proceeds ⁽¹⁾	868	892
Asset retirement obligations	32	42
Derivatives (Note 15)	11	13
Income taxes payable	2	2
Other	35	29
Total	<u>1,123</u>	<u>1,153</u>

⁽¹⁾ Primarily relates to proceeds received from the Frankfurt, Germany Airport as part of a settlement for the Company to cease operations and sell its Kelsterbach, Germany Ticona site, included in the Advanced Engineered Materials segment (Note 20). Such proceeds will be deferred until the transfer of title to the Frankfurt, Germany Airport.

9. Debt

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Short-Term Borrowings and Current Installments of Long-term Debt - Third Party and Affiliates		
Current installments of long-term debt	40	38
Short-term borrowings, including amounts due to affiliates	91	106
Total	<u>131</u>	<u>144</u>

The Company's weighted average interest rate on short-term borrowings, including amounts due to affiliates, was 4.9% as of June 30, 2012 compared to 4.3% as of December 31, 2011.

	As of June 30, 2012	As of December 31, 2011
(In \$ millions)		
Long-Term Debt		
Senior credit facilities - Term C loan due 2016	1,372	1,386
Senior unsecured notes due 2018, interest rate of 6.625%	600	600
Senior unsecured notes due 2021, interest rate of 5.875%	400	400
Pollution control and industrial revenue bonds, interest rates ranging from 5.7% to 6.7%, due at various dates through 2030	182	182
Obligations under capital leases due at various dates through 2054	243	248
Other bank obligations, interest rates ranging from 6.3% to 6.7%, due at various dates through 2017	88	95
Subtotal	2,885	2,911
Current installments of long-term debt	(40)	(38)
Total	2,845	2,873

Senior Notes

In September 2010, Celanese US completed the private placement of \$600 million in aggregate principal amount of 6.625% senior unsecured notes due 2018 (the "6.625% Notes") under an indenture dated September 24, 2010 (the "Indenture") among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. In April 2011, Celanese US registered the 6.625% Notes under the Securities Act of 1933, as amended (the "Securities Act"). Celanese US pays interest on the 6.625% Notes on April 15 and October 15 of each year which commenced on April 15, 2011. The 6.625% Notes are redeemable, in whole or in part, at any time on or after October 15, 2014 at the redemption prices specified in the Indenture. Prior to October 15, 2014, Celanese US may redeem some or all of the 6.625% Notes at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, plus a "make-whole" premium as specified in the Indenture. The 6.625% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US. The 6.625% Notes are guaranteed on a senior unsecured basis by Celanese and each of the domestic subsidiaries of Celanese US that guarantee its obligations under its senior secured credit facilities (the "Subsidiary Guarantors").

The Indenture contains covenants, including, but not limited to, restrictions on the Company's ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; engage in transactions with affiliates; or engage in other businesses.

In May 2011, Celanese US completed an offering of \$400 million in aggregate principal amount of 5.875% senior unsecured notes due 2021 (the "5.875% Notes") in a public offering registered under the Securities Act. The 5.875% Notes are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors.

The 5.875% Notes were issued under an indenture and a first supplemental indenture, each dated May 6, 2011 (the "First Supplemental Indenture") among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. Celanese US pays interest on the 5.875% Notes on June 15 and December 15 of each year which commenced on December 15, 2011. Prior to June 15, 2021, Celanese US may redeem some or all of the 5.875% Notes at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, plus a "make-whole" premium as specified in the First Supplemental Indenture. The 5.875% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US.

The First Supplemental Indenture contains covenants, including, but not limited to, restrictions on the Company's ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; engage in transactions with affiliates; or engage in other businesses.

Senior Credit Facilities

In September 2010, Celanese US, Celanese, and certain of the domestic subsidiaries of Celanese US entered into an amendment agreement (the "Amendment Agreement") with the lenders under Celanese US's existing senior secured credit facilities in order to amend and restate the corresponding Credit Agreement, dated as of April 2, 2007 (as previously amended,

the "Existing Credit Agreement", and as amended and restated by the Amendment Agreement, the "Amended Credit Agreement"). Our Amended Credit Agreement consists of the Term C loan facility, the Term B loan facility, a \$600 million revolving credit facility terminating in 2015 and a \$228 million credit-linked revolving facility terminating in 2014.

In May 2011, Celanese US, through its subsidiaries, prepaid its outstanding Term B loan facility under the Amendment Agreement set to mature in 2014 with an aggregate principal amount of \$516 million using proceeds from the 5.875% Notes and cash on hand.

The margin for borrowings under the revolving credit facility is currently 2.5% above LIBOR or EURIBOR, as applicable, subject to increase or reduction in certain circumstances based on changes in the Company's corporate credit ratings. Borrowings under the credit-linked revolving facility and the Term C loan facility bear interest at a variable interest rate based on LIBOR (for US dollars) or EURIBOR (for Euros), plus a margin which varies based on the Company's net leverage ratio.

The estimated net leverage ratio and margin are as follows:

	Estimated Total Net Leverage Ratio as of June 30, 2012	Estimated Margin as of June 30, 2012
Credit-linked revolving facility	1.50	1.50%
Term C	1.50	2.75%

The margin on each facility may increase or decrease 0.25% based on the following:

Credit-Linked Revolving Facility		Term C Loan Facility	
Total Net Leverage Ratio	Margin over LIBOR or EURIBOR	Total Net Leverage Ratio	Margin over LIBOR or EURIBOR
< = 2.25:1.00	1.50%	< = 1.75:1.00	2.75%
> 2.25:1.00	1.75%	> 1.75:1.00 and < = 2.25:1.00	3.00%
		> 2.25:1.00	3.25%

Term loan borrowings under the Amended Credit Agreement are subject to amortization at 1% of the initial principal amount per annum, payable quarterly. In addition, the Company pays quarterly commitment fees on the unused portions of the revolving credit facility and credit-linked revolving facility of 0.25% and 1.50% per annum, respectively.

The Amended Credit Agreement is guaranteed by Celanese and certain domestic subsidiaries of Celanese US and is secured by a lien on substantially all assets of Celanese US and such guarantors, subject to certain agreed exceptions (including for certain real property and certain shares of foreign subsidiaries), pursuant to the Guarantee and Collateral Agreement, dated as of April 2, 2007.

As a condition to borrowing funds or requesting letters of credit be issued under the revolving facility, the Company's first lien senior secured leverage ratio (as calculated as of the last day of the most recent fiscal quarter for which financial statements have been delivered under the revolving facility) cannot exceed the threshold as specified below. Further, the Company's first lien senior secured leverage ratio must be maintained at or below that threshold while any amounts are outstanding under the revolving credit facility.

The Company's first lien senior secured leverage ratios and the borrowing capacity under the revolving credit facility are as follows:

	As of June 30, 2012			Borrowing Capacity (In \$ millions)
	Maximum	Estimate	Estimate, if Fully Drawn	
First lien senior secured leverage ratios	3.90 to 1.00	1.08 to 1.00	1.53 to 1.00	600

The balances available for borrowing are as follows:

	As of June 30, 2012 (In \$ millions)
Revolving Credit Facility	
Borrowings outstanding	—
Letters of credit issued	—
Available for borrowing	600
Credit-Linked Revolving Facility	
Letters of credit issued	74
Available for borrowing	154

The Amended Credit Agreement contains covenants including, but not limited to, restrictions on the Company's ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; make investments; prepay or modify certain indebtedness; engage in transactions with affiliates; enter into sale-leaseback transactions or hedge transactions; or engage in other businesses.

The Amended Credit Agreement also maintains a number of events of default, including a failure to make any payment of principal or interest when due, a cross default to other debt of Celanese, Celanese US, or their subsidiaries, including the 6.625% Notes and 5.875% Notes, in an aggregate amount equal to more than \$40 million and the occurrence of a change of control. Failure to comply with these covenants, or the occurrence of any other event of default, could result in acceleration of the borrowings and other financial obligations under the Amended Credit Agreement.

The Company is in compliance with all of the covenants related to its debt agreements as of June 30, 2012.

10. Benefit Obligations

The components of net periodic benefit costs are as follows:

	Pension Benefits		Postretirement Benefits		Pension Benefits		Postretirement Benefits	
	Three Months Ended June 30,				Six Months Ended June 30,			
	2012	2011	2012	2011	2012	2011	2012	2011
	(In \$ millions)				(In \$ millions)			
Service cost	7	7	1	1	14	14	1	1
Interest cost	42	45	3	2	85	91	6	6
Expected return on plan assets	(52)	(51)	—	—	(103)	(101)	—	—
Recognized actuarial (gain) loss	15	8	(1)	—	29	15	(1)	(1)
Prior service credit	1	—	—	—	1	—	—	—
Curtailement (gain) loss	—	—	—	—	—	(1)	—	—
Total	13	9	3	3	26	18	6	6

Commitments to fund benefit obligations during 2012 are as follows:

	As of June 30, 2012	Expected for 2012
	(In \$ millions)	
Cash contributions to defined benefit pension plans	88	160
Benefit payments from nonqualified trusts related to nonqualified pension plans	7	15
Benefit payments to other postretirement benefit plans	13	25

The Company's estimates of its US defined benefit pension plan contributions reflect the provisions of the Pension Protection Act of 2006.

The Company participates in a multiemployer defined benefit plan in Germany covering certain employees. The Company's contributions to the multiemployer defined benefit plan are based on specified percentages of employee contributions and totaled \$3 million for the six months ended June 30, 2012.

11. Environmental

General

The Company is subject to environmental laws and regulations worldwide that impose limitations on the discharge of pollutants into the air and water and establish standards for the treatment, storage and disposal of solid and hazardous wastes. The Company believes that it is in substantial compliance with all applicable environmental laws and regulations. The Company is also subject to retained environmental obligations specified in various contractual agreements arising from the divestiture of certain businesses by the Company or one of its predecessor companies.

The components of environmental remediation reserves are as follows:

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Demerger obligations (Note 17)	33	34
Divestiture obligations (Note 17)	22	24
Active sites	20	20
US Superfund sites	14	14
Other environmental remediation reserves	4	4
Total	93	96

Remediation

Due to its industrial history and through retained contractual and legal obligations, the Company has the obligation to remediate specific areas on its own sites as well as on divested, orphan or US Superfund sites (as defined below). In addition, as part of the demerger agreement between the Company and Hoechst AG ("Hoechst"), a specified portion of the responsibility for environmental liabilities from a number of Hoechst divestitures was transferred to the Company (Note 17). The Company provides for such obligations when the event of loss is probable and reasonably estimable. The Company believes that environmental remediation costs will not have a material adverse effect on the financial position of the Company, but may have a material adverse effect on the results of operations or cash flows in any given period.

US Superfund Sites

In the US, the Company may be subject to substantial claims brought by US federal or state regulatory agencies or private individuals pursuant to statutory authority or common law. In particular, the Company has a potential liability under the US Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and related state laws (collectively referred to as "Superfund") for investigation and cleanup costs at certain sites. At most of these sites, numerous companies, including the Company, or one of its predecessor companies, have been notified that the Environmental Protection Agency, state governing bodies or private individuals consider such companies to be potentially responsible parties ("PRP") under Superfund or related laws. The proceedings relating to these sites are in various stages. The cleanup process has not been completed at most sites and the status of the insurance coverage for some of these proceedings is uncertain. Consequently, the Company cannot accurately determine its ultimate liability for investigation or cleanup costs at these sites.

As events progress at each site for which it has been named a PRP, the Company accrues, as appropriate, a liability for site cleanup. Such liabilities include all costs that are probable and can be reasonably estimated. In establishing these liabilities, the Company considers its shipment of waste to a site, its percentage of total waste shipped to the site, the types of wastes involved, the conclusions of any studies, the magnitude of any remedial actions that may be necessary and the number and viability of other PRPs. Often the Company joins with other PRPs to sign joint defense agreements that settle, among PRPs, each party's percentage allocation of costs at the site. Although the ultimate liability may differ from the estimate, the Company routinely reviews the liabilities and revises the estimate, as appropriate, based on the most current information available.

One such site is the Lower Passaic River Study Area. The Company and 70 other companies are parties to a May 2007 Administrative Order on Consent with the US Environmental Protection Agency ("EPA") to perform a Remedial Investigation/Feasibility Study ("RI/FS") of the contaminants in the lower 17-mile stretch known as the Lower Passaic River Study Area. The RI/FS is ongoing and may take several more years to complete. The Company is among a group of settling parties to a June 2012 Administrative Order on Consent with the EPA to perform a removal action within a small section of the river. The Company has also been named as a third-party defendant along with more than 200 other entities in an action initially brought by the New Jersey Department of Environmental Protection ("NJDEP") in the Supreme Court of New Jersey against Occidental Chemical Corporation and several other companies. This suit by the NJDEP seeks recovery of past and future clean-up costs, as well as unspecified economic damages, punitive damages, penalties and a variety of other forms of relief arising from alleged discharges into the Lower Passaic River.

In 2007, the EPA issued a draft study that evaluated alternatives for early remedial action of a portion of the Passaic River at an estimated cost of \$900 million to \$2.3 billion. Several parties commented on the draft study, and to date, the EPA has not taken further action. The contamination allegedly released by the Company is likely an insignificant aspect of the final remedy, which would consequently limit the ultimate contribution from the Company. Because the RI/FS is still ongoing, and the EPA has not finalized its study or the scope of requested cleanup, and the Company's assessment that the contamination allegedly released by the Company is likely an insignificant aspect of the final remedy, the Company cannot reliably estimate its portion of the final remedial costs for this matter at this time. However, the Company currently believes that its portion of the costs would be less than approximately 1% to 2%. The Company is vigorously defending these and all related matters.

12. Stockholders' Equity

Common Stock

The Company's Board of Directors follows a policy of declaring, subject to legally available funds, a quarterly cash dividend on each share of the Company's Series A Common Stock, par value \$0.0001 per share ("Common Stock") unless the Company's Board of Directors, in its sole discretion, determines otherwise. The amount available to pay cash dividends is restricted by the Company's Amended Credit Agreement, the 6.625% Notes and the 5.875% Notes.

On April 23, 2012, the Company announced that its Board of Directors approved a 25% increase in the Company's quarterly Common Stock cash dividend. The Board of Directors increased the quarterly dividend rate from \$0.06 to \$0.075 per share of Common Stock on a quarterly basis and \$0.24 to \$0.30 per share of Common Stock on an annual basis beginning in August 2012.

Treasury Stock

The Company's Board of Directors authorized the repurchase of Common Stock as follows:

	<u>Authorized Amount</u>
	<u>(In \$ millions)</u>
February 2008	400
October 2008	100
April 2011	129
As of June 30, 2012	<u>629</u>

The authorization gives management discretion in determining the timing and conditions under which shares may be repurchased. The share repurchase activity pursuant to this authorization is as follows:

	Six Months Ended June 30		Total From February 2008 Through June 30, 2012
	2012	2011	
Shares repurchased	636,710	273,753	12,719,518
Average purchase price per share	\$ 45.09	\$ 47.54	\$ 38.13
Amount spent on repurchased shares (in millions)	\$ 28	\$ 13	\$ 485

The purchase of treasury stock reduces the number of shares outstanding and the repurchased shares may be used by the Company for compensation programs utilizing the Company's stock and other corporate purposes. The Company accounts for treasury stock using the cost method and includes treasury stock as a component of stockholders' equity.

Other Comprehensive Income (Loss), Net

	Three Months Ended June 30,					
	2012			2011		
	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount
	(In \$ millions)					
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(50)	—	(50)	29	—	29
Unrealized gain (loss) on interest rate swaps	(1)	1	—	1	(1)	—
Pension and postretirement benefits	14	(5)	9	7	(2)	5
Total	(37)	(4)	(41)	37	(3)	34

	Six Months Ended June 30,					
	2012			2011		
	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount
	(In \$ millions)					
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(24)	—	(24)	87	—	87
Unrealized gain (loss) on interest rate swaps	1	—	1	15	(6)	9
Pension and postretirement benefits	26	(11)	15	13	(5)	8
Total	3	(11)	(8)	115	(11)	104

Adjustments to Accumulated other comprehensive income (loss) are as follows:

	Unrealized Gain (Loss) on Marketable Securities	Foreign Currency Translation	Unrealized Gain (Loss) on Interest Rate Swaps	Pension and Postretirement Benefits	Accumulated Other Comprehensive Income (Loss), Net
	(In \$ millions)				
As of December 31, 2011	(1)	(28)	(57)	(764)	(850)
Current period change	—	(24)	1	26	3
Income tax (provision) benefit	—	—	—	(11)	(11)
As of June 30, 2012	(1)	(52)	(56)	(749)	(858)

13. Other (Charges) Gains, Net

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
	(In \$ millions)			
Employee termination benefits	(1)	(9)	(1)	(13)
Ticona Kelsterbach plant relocation (Note 20)	(2)	(16)	(2)	(29)
Plumbing actions (Note 17)	—	4	—	4
Commercial disputes	—	2	—	22
Other	—	1	—	1
Total	(3)	(18)	(3)	(15)

2012

No significant Other (charges) gains, net were incurred during the six months ended June 30, 2012.

2011

As a result of the Company's Pardies, France Project of Closure and the planned closure of the Company's Spondon, Derby, United Kingdom facility (Note 3), the Company recorded \$2 million and \$5 million, respectively, of employee termination benefits during the six months ended June 30, 2011. The Pardies, France facility is included in the Acetyl Intermediates segment. Additionally, the Company recorded \$4 million of employee termination benefits during the three months ended June 30, 2011 related to the relocation of the Company's Ticona operations located in Kelsterbach, Germany (Note 20).

During the six months ended June 30, 2011, the Company received consideration of \$17 million in connection with the settlement of a claim against a bankrupt supplier (Note 17). In addition, the Company also recovered an additional \$4 million from the settlement of an unrelated commercial dispute. These commercial dispute resolutions are included in the Acetyl Intermediates segment.

The changes in the restructuring reserves by business segment are as follows:

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other	Total
	(In \$ millions)					
Employee Termination Benefits						
As of December 31, 2011	8	18	—	5	11	42
Additions	—	3	—	—	—	3
Cash payments	(1)	(1)	—	(3)	(2)	(7)
Other changes	—	—	—	(1)	(1)	(2)
Exchange rate changes	—	—	—	—	—	—
As of June 30, 2012	7	20	—	1	8	36
Plant/Office Closures						
As of December 31, 2011	—	—	—	1	1	2
Additions	—	—	—	—	—	—
Cash payments	—	—	—	—	—	—
Other changes	—	—	—	—	(1)	(1)
Exchange rate changes	—	—	—	—	—	—
As of June 30, 2012	—	—	—	1	—	1
Total	7	20	—	2	8	37

14. Income Taxes

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Effective income tax rate	20%	27%	(6)%	25%

The lower effective rate for the six months ended June 30, 2012 is primarily due to foreign tax credit carryforwards partially offset by deferred tax charges related to changes in assessment regarding permanent reinvestment of certain foreign earnings.

During the three months ended March 31, 2012, the Company determined that it was beneficial to amend certain prior year income tax returns to recognize the benefit of available foreign tax credit carryforwards. As a result, the Company recognized a tax benefit of \$142 million. The available foreign tax credits are subject to a ten year carryforward period and begin to expire in 2014. The Company expects to fully utilize the credits within the prescribed carryforward period.

On February 15, 2012, the Company amended its existing joint venture and other related agreements with its venture partner in Polyplastics Co., Ltd ("Polyplastics"). The amended agreements ("Agreements"), among other items, modified certain dividend rights, resulting in a cash dividend payment to the Company of \$72 million during the six months ended June 30, 2012. In addition, as a result of the Agreements, Polyplastics is required to pay certain annual dividends to the venture partners. Consequently, Polyplastics' undistributed earnings will no longer be invested indefinitely. Accordingly, the Company recognized a deferred tax liability of \$38 million that was recorded to Income tax provision (benefit) in the unaudited interim consolidated statement of operations during the six months ended June 30, 2012, related to the taxable outside basis difference of its investment in Polyplastics.

Liabilities for uncertain tax positions and related interest and penalties are recorded in Uncertain tax positions and current Other liabilities in the unaudited consolidated balance sheets. For the six months ended June 30, 2012, the total unrecognized tax benefits, interest and penalties related to uncertain tax positions decreased by \$13 million for interest and changes in uncertain tax positions in US and foreign jurisdictions, and decreased \$5 million due to exchange rate changes.

The Company's US tax returns for the years 2009 and 2010 are currently under audit by the US Internal Revenue Service and certain of the Company's subsidiaries are under audit in jurisdictions outside of the US. In addition, certain statutes of limitations are scheduled to expire in the near future. It is reasonably possible that a further change in the unrecognized tax benefits may occur within the next twelve months related to the settlement of any of these audits or the lapse of applicable statutes of limitations. Such amounts have been reflected as the current portion of uncertain tax positions (Note 7).

15. Derivative Financial Instruments

Interest Rate Risk Management

To reduce the interest rate risk inherent in the Company's variable rate debt, the Company utilizes interest rate swap agreements to convert a portion of its variable rate borrowings into a fixed rate obligation. These interest rate swap agreements are designated as cash flow hedges and fix the LIBOR portion of the Company's US-dollar denominated variable rate borrowings (Note 9). If an interest rate swap agreement is terminated prior to its maturity, the amount previously recorded in Accumulated other comprehensive income (loss), net is recognized into earnings over the period that the hedged transaction impacts earnings. If the hedging relationship is discontinued because it is probable that the forecasted transaction will not occur according to the original strategy, any related amounts previously recorded in Accumulated other comprehensive income (loss), net are recognized into earnings immediately.

US-dollar interest rate swap derivative arrangements are as follows:

As of June 30, 2012				
Notional Value	Effective Date	Expiration Date	Fixed Rate ⁽¹⁾	
(In \$ millions)				
1,100	January 2, 2012	January 2, 2014		1.71%
500	January 2, 2014	January 2, 2016		1.02%

⁽¹⁾ Fixes the LIBOR portion of the Company's US-dollar denominated variable rate borrowings (Note 9).

As of December 31, 2011

Notional Value	Effective Date	Expiration Date	Fixed Rate ⁽¹⁾
(In \$ millions)			
800	April 2, 2007	January 2, 2012	4.92%
400	January 2, 2008	January 2, 2012	4.33%
200	April 2, 2009	January 2, 2012	1.92%
1,100	January 2, 2012	January 2, 2014	1.71%

⁽¹⁾ Fixes the LIBOR portion of the Company's US-dollar denominated variable rate borrowings (Note 9).

Foreign Exchange Risk Management

Certain subsidiaries have assets and liabilities denominated in currencies other than their respective functional currencies, which creates foreign exchange risk. The Company also enters into foreign currency forwards and swaps to minimize its exposure to foreign currency fluctuations. Through these instruments, the Company mitigates its foreign currency exposure on transactions with third party entities as well as intercompany transactions. The foreign currency forwards and swaps are not designated as hedges under FASB ASC Topic 815, *Derivatives and Hedging* ("FASB ASC Topic 815"). Gains and losses on foreign currency forwards and swaps entered into to offset foreign exchange impacts on intercompany balances are classified as Other income (expense), net, in the unaudited interim consolidated statements of operations. Gains and losses on foreign currency forwards and swaps entered into to offset foreign exchange impacts on all other assets and liabilities are classified as Foreign exchange gain (loss), net, in the unaudited interim consolidated statements of operations.

Gross notional values of the foreign currency forwards and swaps are as follows:

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Total	899	896

Commodity Risk Management

The Company has exposure to the prices of commodities in its procurement of certain raw materials. The Company manages its exposure to commodity risk primarily through the use of long-term supply agreements, multi-year purchasing and sales agreements and forward purchase contracts. The Company regularly assesses its practice of using forward purchase contracts and other raw material hedging instruments in accordance with changes in economic conditions. Forward purchases and swap contracts for raw materials are principally settled through physical delivery of the commodity. For qualifying contracts, the Company has elected to apply the normal purchases and normal sales exception of FASB ASC Topic 815 based on the probability at the inception and throughout the term of the contract that the Company would not settle net and the transaction would result in the physical delivery of the commodity. As such, realized gains and losses on these contracts are included in the cost of the commodity upon the settlement of the contract.

In addition, the Company occasionally enters into financial derivatives to hedge a component of a raw material or energy source. Typically, these types of transactions do not qualify for hedge accounting. These instruments are marked to market at each reporting period and gains (losses) are included in Cost of sales in the unaudited interim consolidated statements of operations. The Company recognized no gain or loss from these types of contracts during six months ended June 30, 2012 and 2011. As of June 30, 2012, the Company did not have any open financial derivative contracts for commodities.

Information regarding changes in the fair value of the Company's derivative arrangements is as follows:

	Three Months Ended June 30, 2012		Three Months Ended June 30, 2011	
	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	Gain (Loss) Recognized in Earnings (Loss)	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	Gain (Loss) Recognized in Earnings (Loss)
	(In \$ millions)			
Derivatives Designated as Cash Flow Hedges				
Interest rate swaps	(5) ⁽¹⁾	(4) ⁽²⁾	(16) ⁽³⁾	(14) ⁽²⁾
Derivatives Not Designated as Hedges				
Interest rate swaps	—	— ⁽⁴⁾	—	(3) ⁽⁴⁾
Foreign currency forwards and swaps	—	(17) ⁽⁵⁾	—	(3) ⁽⁵⁾
Total	(5)	(21)	(16)	(20)

⁽¹⁾ Amount excludes \$1 million of tax benefit recognized in Other comprehensive income (loss).

⁽²⁾ Amount represents reclassification from Accumulated other comprehensive income (loss), net and is included in Interest expense in the unaudited interim consolidated statements of operations.

⁽³⁾ Amount excludes \$1 million of tax expense recognized in Other comprehensive income (loss).

⁽⁴⁾ Included in Interest expense in the unaudited interim consolidated statements of operations.

⁽⁵⁾ Included in Foreign exchange gain (loss), net for operating activity or Other income (expense), net for non-operating activity in the unaudited interim consolidated statements of operations.

	Six Months Ended June 30, 2012		Six Months Ended June 30, 2011	
	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	Gain (Loss) Recognized in Earnings (Loss)	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	Gain (Loss) Recognized in Earnings (Loss)
	(In \$ millions)			
Derivatives Designated as Cash Flow Hedges				
Interest rate swaps	(6)	(7) ⁽¹⁾	(17) ⁽²⁾	(30) ⁽¹⁾
Derivatives Not Designated as Hedges				
Interest rate swaps	—	— ⁽³⁾	—	(3) ⁽³⁾
Foreign currency forwards and swaps	—	(22) ⁽⁴⁾	—	(15) ⁽⁴⁾
Total	(6)	(29)	(17)	(48)

⁽¹⁾ Amount represents reclassification from Accumulated other comprehensive income (loss), net and is included in Interest expense in the unaudited interim consolidated statements of operations.

⁽²⁾ Amount excludes \$1 million of losses associated with the Company's equity method investments' derivative activity and \$6 million of tax expense recognized in Other comprehensive income (loss).

⁽³⁾ Included in Interest expense in the unaudited interim consolidated statements of operations.

⁽⁴⁾ Included in Foreign exchange gain (loss), net for operating activity or Other income (expense), net for non-operating activity in the unaudited interim consolidated statements of operations.

See Note 16, Fair Value Measurements, for additional information regarding the fair value of the Company's derivative arrangements.

16. Fair Value Measurements

The Company follows the provisions of FASB ASC Topic 820 for financial assets and liabilities. FASB ASC Topic 820 establishes a three-tiered fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. If a financial instrument uses inputs that fall in different levels of the hierarchy, the instrument will be categorized based upon the lowest level of input that is significant to the fair value calculation.

The three levels of inputs are defined as follows:

Level 1 - unadjusted quoted prices for identical assets or liabilities in active markets accessible by the Company

Level 2 - inputs that are observable in the marketplace other than those inputs classified as Level 1

Level 3 - inputs that are unobservable in the marketplace and significant to the valuation

The Company's financial assets and liabilities are measured at fair value on a recurring basis and include securities available for sale and derivative financial instruments. Securities available for sale include equity securities. Derivative financial instruments include interest rate swaps and foreign currency forwards and swaps.

Marketable Securities. Where possible, the Company utilizes quoted prices in active markets to measure debt and equity securities; such items are classified as Level 1 in the hierarchy and include equity securities and US government bonds. When quoted market prices for identical assets are unavailable, varying valuation techniques are used. Common inputs in valuing these assets include, among others, benchmark yields, issuer spreads and recently reported trades. Such assets are classified as Level 2 in the hierarchy and typically include corporate bonds and other US government securities. Mutual funds are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date.

Derivatives. Derivative financial instruments are valued in the market using discounted cash flow techniques. These techniques incorporate Level 1 and Level 2 inputs such as interest rates and foreign currency exchange rates. These market inputs are utilized in the discounted cash flow calculation considering the instrument's term, notional amount, discount rate and credit risk. Significant inputs to the derivative valuation for interest rate swaps and foreign currency forwards and swaps are observable in the active markets and are classified as Level 2 in the hierarchy.

Assets and liabilities measured at fair value on a recurring basis are as follows:

	Balance Sheet Location	Fair Value Measurement Using		Total
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
(In \$ millions)				
Mutual funds	Marketable securities, at fair value	60	—	60
Derivatives Designated as Cash Flow Hedges				
Interest rate swaps	Noncurrent other assets	—	—	—
Derivatives Not Designated as Hedges				
Foreign currency forwards and swaps	Current other assets	—	2	2
Total assets as of June 30, 2012		60	2	62
Derivatives Designated as Cash Flow Hedges				
Interest rate swaps	Current other liabilities	—	(14)	(14)
Interest rate swaps	Noncurrent other liabilities	—	(11)	(11)
Derivatives Not Designated as Hedges				
Interest rate swaps	Current other liabilities	—	—	—
Foreign currency forwards and swaps	Current other liabilities	—	(3)	(3)
Total liabilities as of June 30, 2012		—	(28)	(28)
Mutual funds				
Mutual funds	Marketable securities, at fair value	64	—	64
Derivatives Not Designated as Hedges				
Foreign currency forwards and swaps	Current other assets	—	9	9
Total assets as of December 31, 2011		64	9	73
Derivatives Designated as Cash Flow Hedges				
Interest rate swaps	Current other liabilities	—	(21)	(21)
Interest rate swaps	Noncurrent other liabilities	—	(13)	(13)
Derivatives Not Designated as Hedges				
Interest rate swaps	Current other liabilities	—	(2)	(2)
Foreign currency forwards and swaps	Current other liabilities	—	(3)	(3)
Total liabilities as of December 31, 2011		—	(39)	(39)

Carrying values and fair values of financial instruments that are not carried at fair value are as follows:

	Carrying Amount	Fair Value Measurement Using		Total
		Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
(In \$ millions)				
As of June 30, 2012				
Cost investments	155	—	—	—
Insurance contracts in nonqualified trusts	67	67	—	67
Long-term debt, including current installments of long-term debt	2,885	2,726	243	2,969
As of December 31, 2011				
Cost investments	147	—	—	—
Insurance contracts in nonqualified trusts	69	69	—	69
Long-term debt, including current installments of long-term debt	2,911	2,719	248	2,967

In general, the cost investments included in the table above are not publicly traded and their fair values are not readily determinable; however, the Company believes the carrying values approximate or are less than the fair values. Insurance contracts in nonqualified trusts consist of long-term fixed income securities, which are valued using independent vendor pricing models with observable inputs in the active market and therefore represent a Level 2 measurement. The fair value of long-term debt is based on valuations from third-party banks and market quotations and is classified as Level 2 in the hierarchy. The fair value of obligations under capital leases is based on lease payments and discount rates, which are not observable in the market and therefore represents a Level 3 measurement.

As of June 30, 2012 and December 31, 2011, the fair values of cash and cash equivalents, receivables, trade payables, short-term borrowings and the current installments of long-term debt approximate carrying values due to the short-term nature of these instruments. These items have been excluded from the table with the exception of the current installments of long-term debt. Additionally, certain noncurrent receivables, principally insurance recoverables, are carried at net realizable value.

17. Commitments and Contingencies

The Company is involved in legal and regulatory proceedings, lawsuits and claims incidental to the normal conduct of business, relating to such matters as product liability, land disputes, contracts, antitrust, intellectual property, workers' compensation, chemical exposure, asbestos exposure, prior acquisitions and divestitures, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where the Company is named as a defendant. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, the Company's litigation accruals and estimates of possible loss or range of possible loss ("Possible Loss") may not represent the ultimate loss to the Company from legal proceedings. For reasonably possible loss contingencies that may be material and when determinable, the Company estimates its Possible Loss, considering that the Company could incur no loss in certain matters. Thus, the Company's exposure and ultimate losses may be higher or lower, and possibly materially so, than the Company's litigation accruals and estimates of Possible Loss. For some matters, the Company is unable, at this time, to estimate its Possible Loss that is reasonably possible of occurring. Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the more difficult for the Company to estimate the Possible Loss that it is reasonably possible the Company could incur. The Company may disclose certain information related to a plaintiff's claim against the Company alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent the Company's estimate of reasonably possible or probable loss. Some of the Company's exposure in legal matters may be offset by applicable insurance coverage. The Company does not consider the possible availability of insurance coverage in determining the amounts of any accruals or any estimates of Possible Loss.

Plumbing Actions

CNA Holdings LLC ("CNA Holdings"), a US subsidiary of the Company, which included the US business now conducted by the Ticona business that is included in the Advanced Engineered Materials segment, along with Shell Oil Company ("Shell"), E.I. DuPont de Nemours and Company ("DuPont") and others, has been a defendant in a series of lawsuits, including a number

of class actions, alleging that plastic resins manufactured by these companies that were utilized by others in the production of plumbing systems for residential property were defective for this use and/or contributed to the failure of such plumbing. Based on, among other things, the findings of outside experts and the successful use of Ticona's acetal copolymer in similar applications, CNA Holdings does not believe Ticona's acetal copolymer was defective for this use or contributed to the failure of the plumbing. In addition, in many cases CNA Holdings' potential future exposure may be limited by, among other things, statutes of limitations and repose.

In November 1995, CNA Holdings, DuPont and Shell entered into national class action settlements in the Cox, et al. v. Hoechst Celanese Corporation, et al., No. 94-0047 (Chancery Ct., Obion County, Tennessee) matter. The time to file claims against the class has expired and the entity established by the court to administer the claims was dissolved in September 2010. In addition between 1995 and 2001, CNA Holdings was named as a defendant in various putative class actions. The majority of these actions have now been dismissed. As a result the Company recorded \$59 million in reserve reductions and recoveries from associated insurance indemnifications during 2010. The reserve was further reduced by \$4 million during the year ended December 31, 2011 following the dismissal of the remaining US case (St. Croix, Ltd., et al. v. Shell Oil Company d/b/a Shell Chemical Company, Case No. XC-97-CR-467, Virgin Islands Superior Court) which was appealed during the three months ended September 30, 2011.

As of June 30, 2012, the class actions in Canada are subject to a pending class settlement that would result in a dismissal of those cases. The Company does not believe the Possible Loss associated with the remaining matters is material. The Company recorded recoveries and reductions in legal reserves related to plumbing actions (Note 13) to Other (charges) gains, net in the unaudited interim consolidated statements of operations as follows:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
	(In \$ millions)			
Recoveries	—	2	—	2
Legal reserve reductions	—	2	—	2
Total	—	4	—	4

Polyester Staple Antitrust Litigation

CNA Holdings, the successor in interest to Hoechst Celanese Corporation ("HCC"), Celanese Americas Corporation and Celanese GmbH (collectively, the "Celanese Entities") and Hoechst, the former parent of HCC, were named as defendants in two actions (involving multiple individual participants) filed in September 2006 by US purchasers of polyester staple fibers manufactured and sold by HCC. The actions alleged that the defendants participated in a conspiracy to fix prices, rig bids and allocate customers of polyester staple sold in the US. These actions were consolidated in a proceeding by a Multi-District Litigation Panel in the US District Court for the Western District of North Carolina styled *In re Polyester Staple Antitrust Litigation*, MDL 1516. On June 12, 2008 the court dismissed these actions with prejudice against all Celanese Entities in consideration of a payment by the Company. This proceeding related to sales by the polyester staple fibers business which Hoechst sold to KoSa B.V., f/k/a Arteva B.V., a subsidiary of Koch Industries, Inc. ("KoSa") in 1998. In November 2003, KoSa sought recovery from the Company (Koch Industries, Inc. et al. v. Hoechst Aktiengesellschaft et al., No. 03-cv-8679 Southern District NY) alleging a variety of claims, including indemnification and breach of representations, arising out of the 1998 sale. During the fourth quarter of 2010, the parties settled the case pursuant to a confidential agreement and the case was dismissed with prejudice.

Prior to December 31, 2008, the Company had entered into tolling arrangements with four other alleged US purchasers of polyester staple fibers manufactured and sold by the Celanese Entities. These purchasers were not included in the settlement and one such company filed suit against the Company in December 2008 (*Milliken & Company v. CNA Holdings, Inc., Celanese Americas Corporation and Hoechst AG* (No. 8-SV-00578 W.D.N.C.)). On September 15, 2011, the case was dismissed with prejudice based on a stipulation and proposed order of voluntary dismissal.

Commercial Actions

In April 2007, Southern Chemical Corporation ("Southern") filed a petition in the 190th Judicial District Court of Harris County, Texas styled *Southern Chemical Corporation v. Celanese Ltd.* (Cause No. 2007-25490), seeking declaratory judgment relating to the terms of a multi-year methanol supply contract. The trial court granted the Company's motion for summary judgment in March 2008 dismissing Southern's claims. In September 2009, the intermediate Texas appellate court reversed the

trial court decision and remanded the case to the trial court. The Texas Supreme Court subsequently declined both parties' requests that it hear the case. On August 15, 2010, Southern filed a second amended petition adding a claim for breach of contract and seeking equitable damages in an unspecified amount from the Company. Southern amended its complaint again in June, August and November 2011 and May 2012, adding new claims for fraud and tortious interference with a third-party contract. More specifically, Southern now claims the Company "materially misrepresented its intended use of the methanol to be supplied by Southern" and "violated the material terms of the contract and failed to correct these breaches after Southern provided notice." These alleged breaches include "selling, transferring, swapping or tolling methanol to or with entities other than the Company and to entities or operations outside the U.S. or Mexico." In the May 2012 complaint, Southern is seeking compensatory damages of \$1.3 billion, as well as pre- and post-judgment interest, attorneys' fees and punitive damages equaling two times its actual damages. Southern also is seeking rescission or termination of the contract. Trial commenced on July 16, 2012 and is ongoing. The Company is actively defending the matter. The Company believes that Southern's claims lack merit and that its alleged damages are inaccurate and, in any event, grossly inflated. Based on the Company's evaluation of currently available information, including that the plaintiff is seeking relief other than compensatory damages, the matter presents meaningful legal uncertainties (including the applicable damage theory(ies)), and there are significant facts and legal claims in dispute, the Company cannot estimate the Possible Loss for this matter, if any, in excess of immaterial amounts accrued.

In June 2012, Linde Gas Singapore Pte Ltd ("Linde Gas"), a raw materials supplier based in Singapore, initiated arbitration proceedings in New York against the Company's subsidiary, Celanese Singapore Pte. Ltd. ("Singapore Ltd."), alleging that Singapore Ltd. had breached a certain requirements contract by temporarily idling the Singapore Ltd.'s acetic acid facility in Jurong Island, Singapore. The Company believes that Linde Gas' claims lack merit and that the Company has complied with the contract terms, and plans to vigorously defend the matter. Based on the Company's evaluation of currently available information, the Company cannot estimate the Possible Loss, if any, for this matter as discovery has not yet commenced and Linde Gas' arbitration demand does not specify an amount of damages it is seeking.

Award Proceedings in relation to Domination Agreement and Squeeze-Out

The Company's subsidiary, BCP Holdings GmbH ("BCP Holdings"), a German limited liability company, is a defendant in two special award proceedings initiated by minority stockholders of Celanese GmbH seeking the court's review of the amounts (i) of the fair cash compensation and of the guaranteed dividend offered in the purchaser offer under the 2004 Domination Agreement (the "Domination Agreement") and (ii) the fair cash compensation paid for the 2006 squeeze-out ("Squeeze-Out") of all remaining stockholders of Celanese GmbH.

Pursuant to a settlement agreement between BCP Holdings and certain former Celanese GmbH stockholders, if the court sets a higher value for the fair cash compensation or the guaranteed payment under the Domination Agreement or the Squeeze-Out compensation, former Celanese GmbH stockholders who ceased to be stockholders of Celanese GmbH due to the Squeeze-Out will be entitled to claim for their shares the higher of the compensation amounts determined by the court in these different proceedings related to the Domination Agreement and the Squeeze-Out. If the fair cash compensation determined by the court is higher than the Squeeze-Out compensation of €66.99, then 1,069,465 shares will be entitled to an adjustment. If the court determines the value of the fair cash compensation under the Domination Agreement to be lower than the original Squeeze-Out compensation, but determines a higher value for the Squeeze-Out compensation, 924,078 shares would be entitled to an adjustment. Payments already received by these stockholders as compensation for their shares will be offset so that persons who ceased to be stockholders of Celanese GmbH due to the Squeeze-Out are not entitled to more than the higher of the amount set in the two court proceedings.

In September 2011, an expert appointed by the court hearing the Domination Agreement stockholders' claims to assist it in determining the value of Celanese GmbH rendered an opinion. The expert opined that the fair cash compensation for these stockholders (145,387 shares) should be increased from €41.92 to €51.86. This non-binding opinion recommends a total increase in share value to €2 million for those claims under the Domination Agreement. The opinion has no effect on the Squeeze-Out proceeding because the share price recommended is lower than the price those stockholders already received in the Squeeze-Out. However, the opinion also advocates that the guaranteed dividend should be increased from €2.89 to €3.79, aggregating an increase in total guaranteed dividends of €1 million to the Squeeze-Out claimants. The Company evaluated the non-binding opinion of the expert and submitted a written response during the three months ended December 31, 2011. The court then asked the expert to update his opinion. No hearing date has been set. No expert has yet been appointed in the Squeeze-Out proceedings.

For those claims brought under the Domination Agreement, based on the Company's evaluation of currently available information, including the non-binding expert opinion, the fact that the court has asked the expert to update his opinion, and the fact that the court may adopt this new opinion or apply its own (there are legal questions about the applicable valuation

method), which could increase or decrease the Company's potential exposure, the Company does not believe that the Possible Loss is material.

For those remaining claims brought by the Squeeze-Out claimants, based on the Company's evaluation of currently available information, including that damages sought are unspecified, unsupported or uncertain, the matter presents meaningful legal uncertainties (including novel issues of law and the applicable valuation method), there are significant facts in dispute and the court has not yet appointed an expert, the Company cannot estimate the Possible Loss, if any, at this time.

Guarantees

The Company has agreed to guarantee or indemnify third parties for environmental and other liabilities pursuant to a variety of agreements, including asset and business divestiture agreements, leases, settlement agreements and various agreements with affiliated companies. Although many of these obligations contain monetary and/or time limitations, others do not provide such limitations.

As indemnification obligations often depend on the occurrence of unpredictable future events, the future costs associated with them cannot be determined at this time.

The Company has accrued for all probable and reasonably estimable losses associated with all known matters or claims that have been brought to its attention. These known obligations include the following:

- ***Demerger Obligations***

In connection with the Hoechst demerger, the Company agreed to indemnify Hoechst, and its legal successors, for various liabilities under the demerger agreement, including for environmental liabilities associated with contamination arising either from environmental damage in general ("Category A") or under 19 divestiture agreements entered into by Hoechst prior to the demerger ("Category B") (Note 11).

The Company's obligation to indemnify Hoechst, and its legal successors, is capped under Category B at €250 million. If and to the extent the environmental damage should exceed €750 million in aggregate, the Company's obligation to indemnify Hoechst and its legal successors applies, but is then limited to 33.33% of the remediation cost without further limitations. Cumulative payments under the divestiture agreements as of June 30, 2012 are \$58 million. Most of the divestiture agreements have become time barred and/or any notified environmental damage claims have been partially settled.

The Company has also undertaken in the demerger agreement to indemnify Hoechst and its legal successors for (i) 33.33% of any and all Category A liabilities that result from Hoechst being held as the responsible party pursuant to public law or current or future environmental law or by third parties pursuant to private or public law related to contamination and (ii) liabilities that Hoechst is required to discharge, including tax liabilities, which are associated with businesses that were included in the demerger but were not demerged due to legal restrictions on the transfers of such items. These indemnities do not provide for any monetary or time limitations. The Company has not been requested by Hoechst to make any payments in connection with this indemnification. Accordingly, the Company has not made any payments to Hoechst or its legal successors.

Based on the Company's evaluation of currently available information, including the lack of requests for indemnification, the Company cannot estimate the Possible Loss for the remaining demerger obligations, if any, in excess of amounts accrued.

- ***Divestiture Obligations***

The Company and its predecessor companies agreed to indemnify third-party purchasers of former businesses and assets for various pre-closing conditions, as well as for breaches of representations, warranties and covenants. Such liabilities also include environmental liability, product liability, antitrust and other liabilities. These indemnifications and guarantees represent standard contractual terms associated with typical divestiture agreements and, other than environmental liabilities, the Company does not believe that they expose the Company to any significant risk (Note 11).

The Company has divested numerous businesses, investments and facilities through agreements containing indemnifications or guarantees to the purchasers. Many of the obligations contain monetary and/or time limitations, ranging from one year to thirty years. The aggregate amount of outstanding indemnifications and guarantees provided for under these agreements is \$195 million as of June 30, 2012. Other agreements do not provide for any monetary or time limitations.

Based on the Company's evaluation of currently available information, including the number of requests for indemnification or other payment received by the Company, the Company cannot estimate the Possible Loss for the remaining divestiture obligations, if any, in excess of amounts accrued.

Purchase Obligations

In the normal course of business, the Company enters into various purchase commitments for goods and services which extend through 2034. The Company maintains a number of "take-or-pay" contracts for purchases of raw materials, utilities and other services. Certain of the contracts contain a contract termination buy-out provision that allows for the Company to exit the contracts for amounts less than the remaining take-or-pay obligations. The Company does not expect to incur any material losses under take-or-pay contractual arrangements. Additionally, the Company has other outstanding commitments representing maintenance and service agreements, energy and utility agreements, consulting contracts and software agreements. As of June 30, 2012, the Company had unconditional purchase obligations of \$3.7 billion.

The Company holds variable interests in entities that supply certain raw materials and services to the Company. The variable interests primarily relate to cost-plus contractual arrangements with the suppliers and recovery of capital expenditures for certain plant assets plus a rate of return on such assets. The Company recorded obligations under capital leases for recovery of the capital expenditures. The entities are not consolidated because the Company is not the primary beneficiary of the entities as it does not have the power to direct the activities of the entities that most significantly impact the entities' economic performance. The Company's maximum exposure to loss as a result of its involvement with these variable interest entities ("VIEs") as of June 30, 2012 relates primarily to early contract termination fees.

The Company's carrying value of assets and liabilities associated with its obligations to VIEs, as well as the maximum exposure to loss relating to these VIEs are as follows:

	As of June 30, 2012	As of December 31, 2011
	(In \$ millions)	
Property, plant and equipment, net	113	119
Trade payables	37	40
Current installments of long-term debt	6	6
Long-term debt	136	137
Total	179	183
Maximum exposure to loss	232	228

The difference between the total VIE obligations and the maximum exposure to loss, primarily represents take-or-pay obligations for services included within the unconditional obligations discussed above.

During March 2010, the Company successfully completed an amended raw material purchase agreement with a supplier who had filed for bankruptcy. During March 2011, the Company received consideration of \$16 million in connection with the settlement of a claim against this bankrupt supplier. The consideration was recorded to Other charges (gains), net in the unaudited interim consolidated statements of operations in the Acetyl Intermediates segment. During April 2011, the Company received additional consideration of \$1 million related to the same settlement.

18. Segment Information

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Eliminations	Consolidated
(In \$ millions)							
Three Months Ended June 30, 2012							
Net sales	323	327 ⁽¹⁾	327	821 ⁽¹⁾	—	(123)	1,675
Other (charges) gains, net	(2)	4	—	1	(6)	—	(3)
Operating profit (loss)	21	75	34	77	(43)	—	164
Equity in net earnings (loss) of affiliates	55	1	—	2	4	—	62
Depreciation and amortization	28	11	13	19	4	—	75
Capital expenditures	10	18	8	44	3	—	83 ⁽²⁾
Three Months Ended June 30, 2011							
Net sales	346	291 ⁽¹⁾	329	914 ⁽¹⁾	—	(127)	1,753
Other (charges) gains, net	(16)	(3)	—	2	(1)	—	(18)
Operating profit (loss)	27	48	28	152	(46)	—	209
Equity in net earnings (loss) of affiliates	39	—	—	1	6	—	46
Depreciation and amortization	20	13	12	25	2	—	72
Capital expenditures	20	22	12	25	2	—	81 ⁽²⁾

⁽¹⁾ Net sales for Acetyl Intermediates and Consumer Specialties include inter-segment sales of \$121 million and \$2 million, respectively, for the three months ended June 30, 2012 and \$126 million and \$1 million, respectively, for the three months ended June 30, 2011.

⁽²⁾ Excludes expenditures related to the relocation of the Company's Ticona plant in Kelsterbach (Note 20) and includes an increase in accrued capital expenditures of \$6 million and an increase of \$7 million for the three months ended June 30, 2012 and 2011, respectively.

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Eliminations	Consolidated
(In \$ millions)							
Six Months Ended June 30, 2012							
Net sales	640	591 ⁽¹⁾	636	1,673 ⁽¹⁾	—	(232)	3,308
Other (charges) gains, net	(2)	3	—	1	(5)	—	(3)
Operating profit (loss)	42	114	53	137	(84)	—	262
Equity in net earnings (loss) of affiliates	98	2	—	3	10	—	113
Depreciation and amortization	55	20	28	39	7	—	149
Capital expenditures	17	34	16	75	11	—	153 ⁽²⁾
As of June 30, 2012							
Goodwill and intangibles, net	375	272	70	223	—	—	940
Total assets	2,675	1,278	989	2,124	1,713	—	8,779
Six Months Ended June 30, 2011							
Net sales	674	557 ⁽¹⁾	619	1,727 ⁽¹⁾	1	(236)	3,342
Other (charges) gains, net	(29)	(4)	—	20	(2)	—	(15)
Operating profit (loss)	65	102	53	264	(87)	—	397
Equity in net earnings (loss) of affiliates	73	1	—	3	12	—	89
Depreciation and amortization	41	25	22	50	6	—	144
Capital expenditures	37	35	24	40	4	—	140 ⁽²⁾
As of December 31, 2011							
Goodwill and intangibles, net	391	277	54	235	—	—	957
Total assets	2,787	1,154	901	2,035	1,641	—	8,518

⁽¹⁾ Net sales for Acetyl Intermediates and Consumer Specialties include inter-segment sales of \$229 million and \$3 million, respectively, for the six months ended June 30, 2012 and \$234 million and \$2 million, respectively, for the six months ended June 30, 2011.

⁽²⁾ Excludes expenditures related to the relocation of the Company's Ticona plant in Kelsterbach (Note 20) and includes a decrease in accrued capital expenditures of \$30 million and \$11 million for the six months ended June 30, 2012 and 2011, respectively.

19. Earnings (Loss) Per Share

	Three Months Ended June 30,			
	2012		2011	
	Basic	Diluted	Basic	Diluted
	(In \$ millions, except share and per share data)			
Amounts Attributable to Celanese Corporation				
Earnings (loss) from continuing operations	210	210	205	205
Earnings (loss) from discontinued operations	—	—	(2)	(2)
Net earnings (loss)	210	210	203	203
Cumulative preferred stock dividends	—	—	—	—
Net earnings (loss) available to common stockholders	210	210	203	203
Weighted-average shares - basic	158,128,906	158,128,906	156,280,721	156,280,721
Dilutive stock options		1,014,359		2,036,940
Dilutive restricted stock units		597,188		891,739
Assumed conversion of preferred stock		—		—
Weighted-average shares - diluted		159,740,453		159,209,400
Per Share				
Earnings (loss) from continuing operations	1.33	1.31	1.31	1.29
Earnings (loss) from discontinued operations	—	—	(0.01)	(0.01)
Net earnings (loss)	1.33	1.31	1.30	1.28
	Six Months Ended June 30,			
	2012		2011	
	Basic	Diluted	Basic	Diluted
	(In \$ millions, except share and per share data)			
Amounts Attributable to Celanese Corporation				
Earnings (loss) from continuing operations	393	393	343	343
Earnings (loss) from discontinued operations	—	—	2	2
Net earnings (loss)	393	393	345	345
Cumulative preferred stock dividends	—	—	—	—
Net earnings (loss) available to common stockholders	393	393	345	345
Weighted-average shares - basic	157,335,665	157,335,665	156,124,358	156,124,358
Dilutive stock options		1,434,687		2,014,769
Dilutive restricted stock units		640,255		799,784
Assumed conversion of preferred stock		—		—
Weighted-average shares - diluted		159,410,607		158,938,911
Per Share				
Earnings (loss) from continuing operations	2.50	2.47	2.20	2.16
Earnings (loss) from discontinued operations	—	—	0.01	0.01
Net earnings (loss)	2.50	2.47	2.21	2.17

Securities not included in the computation of diluted net earnings per share as their effect would have been antidilutive are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Stock options	15,016	—	7,508	90,313
Restricted stock units	7,946	—	7,946	—
Total	22,962	—	15,454	90,313

20. Plant Relocation

In November 2006, the Company finalized a settlement agreement with the Frankfurt, Germany Airport ("Fraport") that required the Company to cease operations at its Kelsterbach, Germany Ticona site and sell the site, including land and buildings, to Fraport, resolving several years of legal disputes related to the planned Fraport expansion. Under the original agreement, Fraport agreed to pay the Company a total of €670 million. The agreement requires the Company to complete certain activities no later than December 31, 2013 at which time title to the land and buildings will transfer to Fraport. The agreement did not require the proceeds from the settlement be used to build or relocate the existing Ticona operations; however, based on a number of factors, the Company built a new expanded production facility in the Frankfurt Hoechst Industrial Park in the Rhine Main area in Germany.

The Company received its final payment from Fraport of €110 million during the three months ended June 30, 2011 and ceased POM operations at the Kelsterbach, Germany Ticona facility prior to July 31, 2011. In September 2011, the Company announced the opening of its new POM production facility in Frankfurt Hoechst Industrial Park, Germany.

A summary of the financial statement impact associated with the Ticona Kelsterbach plant relocation is as follows:

	Six Months Ended June 30,		Total From Inception Through June 30, 2012
	2012	2011	
	(In \$ millions)		
Deferred proceeds ⁽¹⁾	—	158	907
Costs expensed	2	29	108
Costs capitalized ⁽²⁾	24	112	1,116
Lease buyout	—	—	22
Employee termination benefits	—	4	8

⁽¹⁾ Included in noncurrent Other liabilities in the consolidated balance sheets. Amounts reflect the US dollar equivalent at the time of receipt. Upon transfer of title to Fraport, the deferred proceeds will be recognized in the consolidated statements of operations. Such proceeds will be reduced by assets of €66 million included in Property, plant and equipment, net and €43 million included in noncurrent Other assets in the consolidated balance sheets, to be transferred to Fraport or otherwise disposed.

⁽²⁾ Includes a decrease in accrued capital expenditures of \$11 million and \$2 million for the six months ended June 30, 2012 and 2011, respectively.

21. Consolidating Guarantor Financial Information

The 6.625% Notes and the 5.875% Notes (collectively, the "Notes") were issued by Celanese US (the "Issuer") and are guaranteed by Celanese Corporation (the "Parent Guarantor") and the Subsidiary Guarantors (Note 9). The Issuer and Subsidiary Guarantors are 100% owned subsidiaries of the Parent Guarantor. The Parent Guarantor and Subsidiary Guarantors have guaranteed the Notes fully and unconditionally and jointly and severally.

For cash management purposes, the Company transfers cash between Parent Guarantor, Issuer, Subsidiary Guarantors and non-guarantors through intercompany financing arrangements, contributions or declaration of dividends between the respective parent and its subsidiaries. The transfer of cash under these activities facilitates the ability of the recipient to make specified third-party payments. As a result, the Company presents such intercompany financing activities, contributions and dividends within the category where the ultimate use of cash to third parties is presented in the accompanying unaudited interim consolidated statements of cash flows.

The Company has not presented separate financial information and other disclosures for each of its Subsidiary Guarantors because it believes such financial information and other disclosures would not provide investors with any additional information that would be material in evaluating the sufficiency of the guarantees.

The unaudited interim consolidating financial statements for the Parent Guarantor, the Issuer, the Subsidiary Guarantors and the non-guarantors are as follows:

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2012					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	Consolidated
	(In \$ millions)					
Net sales	—	—	734	1,239	(298)	1,675
Cost of sales	—	—	(520)	(1,113)	289	(1,344)
Gross profit	—	—	214	126	(9)	331
Selling, general and administrative expenses	—	—	(48)	(76)	—	(124)
Amortization of intangible assets	—	—	(4)	(9)	—	(13)
Research and development expenses	—	—	(18)	(8)	—	(26)
Other (charges) gains, net	—	—	6	(3)	(6)	(3)
Foreign exchange gain (loss), net	—	—	—	(1)	—	(1)
Gain (loss) on disposition of businesses and assets, net	—	—	—	—	—	—
Operating profit (loss)	—	—	150	29	(15)	164
Equity in net earnings (loss) of affiliates	209	239	50	49	(485)	62
Interest expense	—	(48)	(10)	(19)	32	(45)
Refinancing expense	—	—	—	—	—	—
Interest income	—	15	16	1	(32)	—
Dividend income - cost investments	—	—	—	84	—	84
Other income (expense), net	—	—	—	(1)	—	(1)
Earnings (loss) from continuing operations before tax	209	206	206	143	(500)	264
Income tax (provision) benefit	1	3	(40)	(22)	4	(54)
Earnings (loss) from continuing operations	210	209	166	121	(496)	210
Earnings (loss) from operation of discontinued operations	—	—	—	—	—	—
Gain (loss) on disposition of discontinued operations	—	—	—	—	—	—
Income tax (provision) benefit from discontinued operations	—	—	—	—	—	—
Earnings (loss) from discontinued operations	—	—	—	—	—	—
Net earnings (loss)	210	209	166	121	(496)	210
Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	210	209	166	121	(496)	210

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF OPERATIONS

	Three Months Ended June 30, 2011					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net sales	—	—	660	1,380	(287)	1,753
Cost of sales	—	—	(472)	(1,154)	283	(1,343)
Gross profit	—	—	188	226	(4)	410
Selling, general and administrative expenses	—	—	(41)	(99)	—	(140)
Amortization of intangible assets	—	—	(5)	(12)	—	(17)
Research and development expenses	—	—	(17)	(8)	—	(25)
Other (charges) gains, net	—	—	6	(24)	—	(18)
Foreign exchange gain (loss), net	—	—	—	(1)	—	(1)
Gain (loss) on disposition of businesses and assets, net	—	—	1	(1)	—	—
Operating profit (loss)	—	—	132	81	(4)	209
Equity in net earnings (loss) of affiliates	202	246	27	35	(464)	46
Interest expense	—	(56)	(9)	(9)	17	(57)
Refinancing expense	—	(3)	—	—	—	(3)
Interest income	—	5	10	2	(17)	—
Dividend income - cost investments	—	—	—	79	—	79
Other income (expense), net	—	1	(1)	6	—	6
Earnings (loss) from continuing operations before tax	202	193	159	194	(468)	280
Income tax (provision) benefit	1	9	(49)	(37)	1	(75)
Earnings (loss) from continuing operations	203	202	110	157	(467)	205
Earnings (loss) from operation of discontinued operations	—	—	(3)	—	—	(3)
Gain (loss) on disposition of discontinued operations	—	—	—	—	—	—
Income tax (provision) benefit from discontinued operations	—	—	1	—	—	1
Earnings (loss) from discontinued operations	—	—	(2)	—	—	(2)
Net earnings (loss)	203	202	108	157	(467)	203
Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	203	202	108	157	(467)	203

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF OPERATIONS

	Six Months Ended June 30, 2012					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	Consolidated
	(In \$ millions)					
Net sales	—	—	1,374	2,488	(554)	3,308
Cost of sales	—	—	(1,002)	(2,261)	556	(2,707)
Gross profit	—	—	372	227	2	601
Selling, general and administrative expenses	—	—	(94)	(164)	—	(258)
Amortization of intangible assets	—	—	(9)	(17)	—	(26)
Research and development expenses	—	—	(34)	(18)	—	(52)
Other (charges) gains, net	—	—	7	(4)	(6)	(3)
Foreign exchange gain (loss), net	—	—	—	—	—	—
Gain (loss) on disposition of businesses and assets, net	—	—	—	—	—	—
Operating profit (loss)	—	—	242	24	(4)	262
Equity in net earnings (loss) of affiliates	392	436	90	91	(896)	113
Interest expense	—	(96)	(21)	(37)	64	(90)
Refinancing expense	—	—	—	—	—	—
Interest income	—	30	32	3	(64)	1
Dividend income - cost investments	—	—	—	84	—	84
Other income (expense), net	—	1	—	—	—	1
Earnings (loss) from continuing operations before tax	392	371	343	165	(900)	371
Income tax (provision) benefit	1	21	22	(23)	1	22
Earnings (loss) from continuing operations	393	392	365	142	(899)	393
Earnings (loss) from operation of discontinued operations	—	—	—	—	—	—
Gain (loss) on disposition of discontinued operations	—	—	—	—	—	—
Income tax (provision) benefit from discontinued operations	—	—	—	—	—	—
Earnings (loss) from discontinued operations	—	—	—	—	—	—
Net earnings (loss)	393	392	365	142	(899)	393
Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	393	392	365	142	(899)	393

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF OPERATIONS

	Six Months Ended June 30, 2011					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	Consolidated
	(In \$ millions)					
Net sales	—	—	1,275	2,611	(544)	3,342
Cost of sales	—	—	(908)	(2,205)	532	(2,581)
Gross profit	—	—	367	406	(12)	761
Selling, general and administrative expenses	—	—	(80)	(188)	—	(268)
Amortization of intangible assets	—	—	(9)	(24)	—	(33)
Research and development expenses	—	—	(30)	(18)	—	(48)
Other (charges) gains, net	—	—	25	(40)	—	(15)
Foreign exchange gain (loss), net	—	—	—	—	—	—
Gain (loss) on disposition of businesses and assets, net	—	—	1	(1)	—	—
Operating profit (loss)	—	—	274	135	(12)	397
Equity in net earnings (loss) of affiliates	344	424	55	71	(805)	89
Interest expense	—	(107)	(21)	(19)	35	(112)
Refinancing expense	—	(3)	—	—	—	(3)
Interest income	—	11	19	6	(35)	1
Dividend income - cost investments	—	—	—	79	—	79
Other income (expense), net	—	3	(1)	7	—	9
Earnings (loss) from continuing operations before tax	344	328	326	279	(817)	460
Income tax (provision) benefit	1	16	(93)	(43)	2	(117)
Earnings (loss) from continuing operations	345	344	233	236	(815)	343
Earnings (loss) from operation of discontinued operations	—	—	3	—	—	3
Gain (loss) on disposition of discontinued operations	—	—	—	—	—	—
Income tax (provision) benefit from discontinued operations	—	—	(1)	—	—	(1)
Earnings (loss) from discontinued operations	—	—	2	—	—	2
Net earnings (loss)	345	344	235	236	(815)	345
Net (earnings) loss attributable to noncontrolling interests	—	—	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	345	344	235	236	(815)	345

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended June 30, 2012					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net earnings (loss)	210	209	166	121	(496)	210
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(50)	(50)	17	11	22	(50)
Unrealized gain (loss) on interest rate swaps	—	—	—	—	—	—
Pension and postretirement benefits	9	9	7	1	(17)	9
Total other comprehensive income (loss), net of tax	(41)	(41)	24	12	5	(41)
Total comprehensive income (loss), net of tax	169	168	190	133	(491)	169
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	169	168	190	133	(491)	169

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended June 30, 2011					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net earnings (loss)	203	202	108	157	(467)	203
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	29	29	9	21	(59)	29
Unrealized gain (loss) on interest rate swaps	—	—	—	(1)	1	—
Pension and postretirement benefits	5	5	5	—	(10)	5
Total other comprehensive income (loss), net of tax	34	34	14	20	(68)	34
Total comprehensive income (loss), net of tax	237	236	122	177	(535)	237
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	237	236	122	177	(535)	237

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Six Months Ended June 30, 2012					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net earnings (loss)	393	392	365	142	(899)	393
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(24)	(24)	6	5	13	(24)
Unrealized gain (loss) on interest rate swaps	1	1	—	—	(1)	1
Pension and postretirement benefits	15	15	13	(1)	(27)	15
Total other comprehensive income (loss), net of tax	(8)	(8)	19	4	(15)	(8)
Total comprehensive income (loss), net of tax	385	384	384	146	(914)	385
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	385	384	384	146	(914)	385

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Six Months Ended June 30, 2011					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net earnings (loss)	345	344	235	236	(815)	345
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	87	87	(10)	98	(175)	87
Unrealized gain (loss) on interest rate swaps	9	9	—	(1)	(8)	9
Pension and postretirement benefits	8	8	8	—	(16)	8
Total other comprehensive income (loss), net of tax	104	104	(2)	97	(199)	104
Total comprehensive income (loss), net of tax	449	448	233	333	(1,014)	449
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	449	448	233	333	(1,014)	449

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATING BALANCE SHEETS

As of June 30, 2012

	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	Consolidated
(In \$ millions)						
ASSETS						
Current assets						
Cash and cash equivalents	43	—	139	618	—	800
Trade receivables - third party and affiliates	—	—	353	745	(141)	957
Non-trade receivables, net	—	23	1,749	504	(2,099)	177
Inventories, net	—	—	186	608	(68)	726
Deferred income taxes	—	—	87	19	—	106
Marketable securities, at fair value	—	—	60	—	—	60
Other assets	—	6	19	32	(17)	40
Total current assets	43	29	2,593	2,526	(2,325)	2,866
Investments in affiliates	1,707	3,450	1,551	515	(6,467)	756
Property, plant and equipment, net	—	—	777	2,488	—	3,265
Deferred income taxes	—	17	519	26	—	562
Other assets	—	1,862	136	338	(1,946)	390
Goodwill	—	—	306	450	—	756
Intangible assets, net	—	—	75	109	—	184
Total assets	1,750	5,358	5,957	6,452	(10,738)	8,779
LIABILITIES AND EQUITY						
Current liabilities						
Short-term borrowings and current installments of long-term debt - third party and affiliates	—	1,604	181	112	(1,766)	131
Trade payables - third party and affiliates	—	—	274	555	(141)	688
Other liabilities	—	39	329	463	(365)	466
Deferred income taxes	—	16	(16)	18	—	18
Income taxes payable	(30)	(379)	424	27	(5)	37
Total current liabilities	(30)	1,280	1,192	1,175	(2,277)	1,340
Noncurrent liabilities						
Long-term debt	—	2,358	828	1,600	(1,941)	2,845
Deferred income taxes	—	—	38	92	—	130
Uncertain tax positions	3	2	30	137	—	172
Benefit obligations	—	—	1,250	142	—	1,392
Other liabilities	—	11	104	1,021	(13)	1,123
Total noncurrent liabilities	3	2,371	2,250	2,992	(1,954)	5,662
Total Celanese Corporation stockholders' equity	1,777	1,707	2,515	2,285	(6,507)	1,777
Noncontrolling interests						
Total equity	1,777	1,707	2,515	2,285	(6,507)	1,777
Total liabilities and equity	1,750	5,358	5,957	6,452	(10,738)	8,779

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATING BALANCE SHEETS

As of December 31, 2011

	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	Consolidated
(In \$ millions)						
ASSETS						
Current assets						
Cash and cash equivalents	—	—	133	549	—	682
Trade receivables - third party and affiliates	—	—	297	694	(120)	871
Non-trade receivables, net	—	10	1,651	562	(1,988)	235
Inventories, net	—	—	187	590	(65)	712
Deferred income taxes	—	—	87	17	—	104
Marketable securities, at fair value	—	—	64	—	—	64
Other assets	—	6	18	45	(34)	35
Total current assets	—	16	2,437	2,457	(2,207)	2,703
Investments in affiliates	1,315	2,978	1,530	535	(5,534)	824
Property, plant and equipment, net	—	—	735	2,534	—	3,269
Deferred income taxes	—	17	382	22	—	421
Other assets	—	1,903	132	296	(1,987)	344
Goodwill	—	—	298	462	—	760
Intangible assets, net	—	—	69	128	—	197
Total assets	1,315	4,914	5,583	6,434	(9,728)	8,518
LIABILITIES AND EQUITY						
Current liabilities						
Short-term borrowings and current installments of long-term debt - third party and affiliates	—	1,492	176	131	(1,655)	144
Trade payables - third party and affiliates	—	—	258	535	(120)	673
Other liabilities	—	63	353	506	(383)	539
Deferred income taxes	—	16	(16)	17	—	17
Income taxes payable	(29)	(373)	384	35	(5)	12
Total current liabilities	(29)	1,198	1,155	1,224	(2,163)	1,385
Noncurrent liabilities						
Long-term debt	—	2,372	834	1,650	(1,983)	2,873
Deferred income taxes	—	—	—	92	—	92
Uncertain tax positions	3	16	27	136	—	182
Benefit obligations	—	—	1,346	146	—	1,492
Other liabilities	—	13	99	1,055	(14)	1,153
Total noncurrent liabilities	3	2,401	2,306	3,079	(1,997)	5,792
Total Celanese Corporation stockholders' equity	1,341	1,315	2,122	2,131	(5,568)	1,341
Noncontrolling interests						
Total equity	1,341	1,315	2,122	2,131	(5,568)	1,341
Total liabilities and equity	1,315	4,914	5,583	6,434	(9,728)	8,518

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2012					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net cash provided by (used in) operating activities	(29)	—	175	256	—	402
Investing activities						
Capital expenditures on property, plant and equipment	—	—	(93)	(90)	—	(183)
Acquisitions, net of cash acquired	—	—	(23)	—	—	(23)
Proceeds from sale of businesses and assets, net	—	—	1	—	—	1
Deferred proceeds from Ticona Kelsterbach plant relocation	—	—	—	—	—	—
Capital expenditures related to Ticona Kelsterbach plant relocation	—	—	—	(35)	—	(35)
Other, net	—	—	(9)	(34)	—	(43)
Net cash provided by (used in) investing activities	—	—	(124)	(159)	—	(283)
Financing activities						
Short-term borrowings (repayments), net	—	—	1	(15)	—	(14)
Proceeds from long-term debt	—	—	—	—	—	—
Repayments of long-term debt	—	(7)	(1)	(11)	—	(19)
Refinancing costs	—	—	—	—	—	—
Proceeds and repayments from intercompany financing activities	—	7	(7)	—	—	—
Purchases of treasury stock, including related fees	(28)	—	—	—	—	(28)
Dividends from subsidiary	35	35	—	—	(70)	—
Dividends to parent	—	(35)	(35)	—	70	—
Contributions from parent to subsidiary	—	—	(3)	3	—	—
Stock option exercises	55	—	—	—	—	55
Series A common stock dividends	(19)	—	—	—	—	(19)
Preferred stock dividends	—	—	—	—	—	—
Other, net	29	—	—	—	—	29
Net cash provided by (used in) financing activities	72	—	(45)	(23)	—	4
Exchange rate effects on cash and cash equivalents	—	—	—	(5)	—	(5)
Net increase (decrease) in cash and cash equivalents	43	—	6	69	—	118
Cash and cash equivalents as of beginning of period	—	—	133	549	—	682
Cash and cash equivalents as of end of period	43	—	139	618	—	800

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2011					Consolidated
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non- Guarantors	Eliminations	
	(In \$ millions)					
Net cash provided by (used in) operating activities	—	—	175	141	—	316
Investing activities						
Capital expenditures on property, plant and equipment	—	—	(63)	(88)	—	(151)
Acquisitions, net of cash acquired	—	—	(8)	—	—	(8)
Proceeds from sale of businesses and assets, net	—	—	1	4	—	5
Deferred proceeds from Ticona Kelsterbach plant relocation	—	—	—	158	—	158
Capital expenditures related to Ticona Kelsterbach plant relocation	—	—	—	(114)	—	(114)
Other, net	—	—	(2)	(21)	—	(23)
Net cash provided by (used in) investing activities	—	—	(72)	(61)	—	(133)
Financing activities						
Short-term borrowings (repayments), net	—	—	(8)	(26)	—	(34)
Proceeds from long term debt	—	400	—	11	—	411
Repayments of long-term debt	—	(525)	(1)	(27)	—	(553)
Refinancing costs	—	(8)	—	—	—	(8)
Proceeds and repayments from intercompany financing activities	—	133	(133)	—	—	—
Purchases of treasury stock, including related fees	(13)	—	—	—	—	(13)
Dividends from subsidiary	13	113	—	—	(126)	—
Dividends to parent	—	(13)	(13)	(100)	126	—
Contributions from parent to subsidiary	—	(100)	100	—	—	—
Stock option exercises	17	—	—	—	—	17
Series A common stock dividends	(16)	—	—	—	—	(16)
Preferred stock dividends	—	—	—	—	—	—
Other, net	—	—	(2)	—	—	(2)
Net cash provided by (used in) financing activities	1	—	(57)	(142)	—	(198)
Exchange rate effects on cash and cash equivalents	—	—	—	16	—	16
Net increase (decrease) in cash and cash equivalents	1	—	46	(46)	—	1
Cash and cash equivalents as of beginning of period	—	—	128	612	—	740
Cash and cash equivalents as of end of period	1	—	174	566	—	741

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

In this Quarterly Report on Form 10-Q ("Quarterly Report"), the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The terms the "Company," "we," "our" and "us," refer to Celanese and its subsidiaries on a consolidated basis. The term "Celanese US" refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

The following discussion should be read in conjunction with the Celanese Corporation and Subsidiaries consolidated financial statements as of and for the year ended December 31, 2011, filed on February 10, 2012 with the Securities and Exchange Commission ("SEC") as part of the Company's Annual Report on Form 10-K (the "2011 Form 10-K") and the unaudited interim consolidated financial statements and notes thereto included elsewhere in this Quarterly Report.

Investors are cautioned that the forward-looking statements contained in this section and other parts of this Quarterly Report involve both risk and uncertainty. Several important factors could cause actual results to differ materially from those anticipated by these statements. Many of these statements are macroeconomic in nature and are, therefore, beyond the control of management. See "Special Note Regarding Forward-Looking Statements" below and at the beginning of our 2011 Form 10-K.

Special Note Regarding Forward-Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and other parts of this Quarterly Report contain certain forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by, and information currently available to, us. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "may," "can," "could," "might," "will" and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect our current views and beliefs with respect to future events at the time that the statements are made, are not historical facts or guarantees of future performance and are subject to significant risks, uncertainties and other factors that are difficult to predict and many of which are outside of our control. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate and, accordingly, should not have undue reliance placed upon them. All forward-looking statements made in this Quarterly Report are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this Quarterly Report will increase with the passage of time. We undertake no obligation, and disclaim any duty, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in our expectations or otherwise.

See *Part I - Item 1A. Risk Factors* of our 2011 Form 10-K and subsequent periodic filings we make with the SEC for a description of risk factors that could significantly affect our financial results. In addition, the following factors could cause our actual results to differ materially from those results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, among other things:

- changes in general economic, business, political and regulatory conditions in the countries or regions in which we operate;
- the length and depth of product and industry business cycles particularly in the automotive, electrical, textiles, electronics and construction industries;
- changes in the price and availability of raw materials, particularly changes in the demand for, supply of, and market prices of ethylene, methanol, natural gas, wood pulp and fuel oil and the prices for electricity and other energy sources;
- the ability to pass increases in raw material prices on to customers or otherwise improve margins through price increases;
- the ability to maintain plant utilization rates and to implement planned capacity additions and expansions;
- the ability to reduce or maintain at their current levels production costs and improve productivity by implementing technological improvements to existing plants;
- increased price competition and the introduction of competing products by other companies;
- changes in the degree of intellectual property and other legal protection afforded to our products or technologies, or the theft of such intellectual property;

- costs and potential disruption or interruption of production or operations due to accidents, cyber security incidents, terrorism or political unrest, or other unforeseen events or delays in construction of facilities;
- potential liability for remedial actions and increased costs under existing or future environmental regulations, including those relating to climate change;
- potential liability resulting from pending or future litigation, or from changes in the laws, regulations or policies of governments or other governmental activities in the countries in which we operate;
- changes in currency exchange rates and interest rates;
- our level of indebtedness, which could diminish our ability to raise additional capital to fund operations or limit our ability to react to changes in the economy or the chemicals industry; and
- various other factors, both referenced and not referenced in this Quarterly Report.

Many of these factors are macroeconomic in nature and are, therefore, beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this Quarterly Report as anticipated, believed, estimated, expected, intended, planned or projected.

Overview

We are a global technology and specialty materials company. We are one of the world's largest producers of acetyl products, which are intermediate chemicals, for nearly all major industries, as well as a leading global producer of high performance engineered polymers that are used in a variety of high-value applications. As a recognized innovator in the chemicals industry, we engineer and manufacture a wide variety of products essential to everyday living. Our broad product portfolio serves a diverse set of end-use applications including paints and coatings, textiles, automotive applications, consumer and medical applications, performance industrial applications, filter media, paper and packaging, chemical additives, construction, consumer and industrial adhesives, and food and beverage applications. Our products enjoy leading global positions due to our large global production capacity, operating efficiencies, proprietary production technology and competitive cost structures.

Our large and diverse global customer base primarily consists of major companies in a broad array of industries. We hold geographically balanced global positions and participate in diversified end-use applications. We combine a demonstrated track record of execution, strong performance built on shared principles and objectives, and a clear focus on growth and value creation. Known for operational excellence and execution of our business strategies, we deliver value to customers around the globe with best-in-class technologies.

2012 Highlights:

- We announced plans to construct and operate a methanol production facility at our Clear Lake, Texas acetyl complex which is expected to start up after July 1, 2015. As one of the world's largest producers of acetyl products, we plan to utilize our existing infrastructure to capture the opportunities created by abundant and affordable US natural gas supplies.
- We launched the new SunsationSM platform to help food and beverage manufacturers develop low- and no-calorie products that are better tasting and simplify the formulation process to bring products to market faster.
- We entered into an agreement to advance the development of fuel ethanol projects with Pertamina, the state-owned energy company of Indonesia. In line with our long-term strategy to develop new and renewable energy capabilities, Pertamina will collaborate exclusively with us to jointly develop synthetic fuel ethanol projects in the Republic of Indonesia utilizing our proprietary TCX[®] ethanol process technology.
- We are in process of starting up our technology development unit for ethanol production at our facility in Clear Lake, Texas. The unit will support our continuing development of TCX[®] ethanol process technology for customers in both industrial-grade and fuel ethanol.
- We completed the acquisition of certain assets from Ashland Inc., including two product lines, Vinac[®] and Flexbond[®], which will support the strategic growth of our Emulsions business.

- We received key government approvals necessary to proceed with previously announced plans to modify and enhance our existing integrated acetyl facility at the Nanjing Chemical Industrial Park in China to produce ethanol for industrial uses. Based upon continued advancements to our TCX[®] ethanol process technology, we now expect to have approximately 30 to 40 percent additional ethanol production capacity above the originally announced 200,000 tons with no increase in the capital investment for the modification and enhancement. The unit is expected to startup in mid-2013.
- Moody's Investors Service and Standard & Poor's Ratings Services both upgraded its outlook for Celanese to "Positive" from "Stable." In raising our outlook, both agencies cited improved operating performance, debt reduction as well as our operational, geographical and product diversity.
- We announced that our Board of Directors approved a 25% increase in our quarterly Series A Common Stock cash dividend. The Board of Directors increased the quarterly dividend rate from \$0.06 to \$0.075 per share of Common Stock on a quarterly basis and \$0.24 to \$0.30 per share of Common Stock on an annual basis. The new dividend rate will be applicable to dividends payable beginning in August 2012.

Results of Operations

Financial Highlights

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2012	2011	Change	2012	2011	Change
(unaudited)						
(In \$ millions)						
Statement of Operations Data						
Net sales	1,675	1,753	(78)	3,308	3,342	(34)
Gross profit	331	410	(79)	601	761	(160)
Selling, general and administrative expenses	(124)	(140)	16	(258)	(268)	10
Other (charges) gains, net	(3)	(18)	15	(3)	(15)	12
Operating profit (loss)	164	209	(45)	262	397	(135)
Equity in net earnings of affiliates	62	46	16	113	89	24
Interest expense	(45)	(57)	12	(90)	(112)	22
Dividend income - cost investments	84	79	5	84	79	5
Earnings (loss) from continuing operations before tax	264	280	(16)	371	460	(89)
Amounts attributable to Celanese Corporation						
Earnings (loss) from continuing operations	210	205	5	393	343	50
Earnings (loss) from discontinued operations	—	(2)	2	—	2	(2)
Net earnings (loss)	210	203	7	393	345	48
Other Data						
Depreciation and amortization	75	72	3	149	144	5
Operating margin ⁽¹⁾	9.8%	11.9%		7.9%	11.9%	

⁽¹⁾ Defined as operating profit (loss) divided by net sales.

	As of	As of
	June 30, 2012	December 31, 2011
(unaudited)		
(In \$ millions)		
Balance Sheet Data		
Cash and cash equivalents	800	682
Short-term borrowings and current installments of long-term debt - third party and affiliates	131	144
Long-term debt	2,845	2,873
Total debt	2,976	3,017
(unaudited)		
(In \$ millions)		
Trade receivables, net	957	871
Inventories	726	712
Trade payables - third party and affiliates	(688)	(673)
Trade working capital	995	910

Consolidated Results – Three and Six Months Ended June 30, 2012 Compared with Three and Six Months Ended June 30, 2011

Net sales changed \$(78) million and \$(34) million during the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011, primarily due to lower prices in our Acetyl Intermediates segment and unfavorable currency impacts across all our segments. Acetic acid pricing declined significantly compared to 2011 as a result of abnormal constraints in industry capacity during 2011 which did not recur in 2012, as well as unfavorable economic conditions in Europe and Asia, and lower raw material prices during the three months ended June 30, 2012. Volume increases offset unfavorable currency impacts across our segments, except in our Advanced Engineered Materials segment where volumes were negatively impacted by lower demand for industrial and consumer goods applications during the three and six months ended June 30, 2012. Consumer Specialties' net sales increased during the three and six months ended June 30, 2012, reflecting higher sales prices across all regions for Acetate Products due to increased wood pulp and energy costs. Increased volumes for Acetate Products during the three months ended June 30, 2012 also contributed to increased net sales primarily due to a production interruption that occurred in the first quarter pushing volumes into the second quarter.

Operating profit decreased during the three and six months ended June 30, 2012 compared to the same periods in 2011 by 22% and 34%, respectively, primarily due to the lower pricing in our Acetyl Intermediates segment and volatility in ethylene prices, impacting raw material costs.

Depreciation and amortization changed \$5 million for the six months ended June 30, 2012, compared to 2011, primarily due to higher depreciation in our Advanced Engineered Materials segment with the opening of the new expanded polyoxymethylene, also commonly known as polyacetal ("POM"), production facility in the Frankfurt Hoechst Industrial Park in the Rhine Main area in Germany.

As a percentage of net sales, selling, general and administrative expenses decreased from 8.0% to 7.4% for the three months ended June 30, 2012 and from 8.0% to 7.8% for the six months ended June 30, 2012 as compared to the same periods in 2011, primarily due to a decrease in costs associated with business optimization initiatives, executive compensation and other productivity spending reductions.

Other (charges) gains, net changed \$15 million and \$12 million for the three and six months ended June 30, 2012, respectively, as compared to the same periods in 2011:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
	(unaudited)			
	(In \$ millions)			
Employee termination benefits	(1)	(9)	(1)	(13)
Ticona Kelsterbach plant relocation	(2)	(16)	(2)	(29)
Plumbing actions	—	4	—	4
Commercial disputes	—	2	—	22
Other	—	1	—	1
Total	(3)	(18)	(3)	(15)

During the three and six months ended June 30, 2011, we recorded \$16 million and \$29 million, respectively, of expenses related to the relocation of our Ticona operations in Kelsterbach, Germany to Frankfurt, Germany. Ticona Kelsterbach plant relocation-related costs of \$2 million were incurred in Other (charges) gains, net during the three and six months ended June 30, 2012. The Ticona Kelsterbach plant, which ceased POM operations prior to July 31, 2011, is included in our Advanced Engineered Materials segment. See Note 20 in the accompanying unaudited interim consolidated financial statements for further information regarding the Ticona Kelsterbach plant relocation.

During the six months ended June 30, 2011 we recorded \$5 million, \$2 million and \$4 million of employee termination benefits relating to the Spondon planned closure, the closure of our Pardies, France facility and the relocation of our Ticona Kelsterbach plant, respectively. No significant employee termination costs were incurred during the six months ended June 30, 2012. See Note 3 and Note 13 to the accompanying unaudited interim consolidated financial statements for further information regarding these plant closures.

During the six months ended June 30, 2011, we received consideration of \$17 million in connection with the settlement of a claim against a bankrupt supplier. In addition, we recovered an additional \$4 million from the settlement of an unrelated commercial dispute. These commercial dispute resolutions are included in the Acetyl Intermediates segment. No such settlements occurred in the three and six months ended June 30, 2012.

Our effective income tax rate for the three months ended June 30, 2012 was 20% compared to 27% for the three months ended June 30, 2011. Our effective income tax rate for the six months ended June 30, 2012 was (6)% compared to 25% for the six months ended June 30, 2011. The lower effective tax rate was primarily due to foreign tax credit carryforwards of \$142 million recognized during the three months ended March 31, 2012, partially offset by \$38 million of deferred tax charges related to changes in our assessment regarding the permanent reinvestment of certain foreign earnings.

Selected Data by Business Segment

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2012	2011	Change	2012	2011	Change
(unaudited)						
(In \$ millions, except percentages)						
Net Sales						
Advanced Engineered Materials	323	346	(23)	640	674	(34)
Consumer Specialties	327	291	36	591	557	34
Industrial Specialties	327	329	(2)	636	619	17
Acetyl Intermediates	821	914	(93)	1,673	1,727	(54)
Other Activities	—	—	—	—	1	(1)
Inter-segment eliminations	(123)	(127)	4	(232)	(236)	4
Total	1,675	1,753	(78)	3,308	3,342	(34)
Other (Charges) Gains, Net						
Advanced Engineered Materials	(2)	(16)	14	(2)	(29)	27
Consumer Specialties	4	(3)	7	3	(4)	7
Industrial Specialties	—	—	—	—	—	—
Acetyl Intermediates	1	2	(1)	1	20	(19)
Other Activities	(6)	(1)	(5)	(5)	(2)	(3)
Total	(3)	(18)	15	(3)	(15)	12
Operating Profit (Loss)						
Advanced Engineered Materials	21	27	(6)	42	65	(23)
Consumer Specialties	75	48	27	114	102	12
Industrial Specialties	34	28	6	53	53	—
Acetyl Intermediates	77	152	(75)	137	264	(127)
Other Activities	(43)	(46)	3	(84)	(87)	3
Total	164	209	(45)	262	397	(135)
Earnings (Loss) From Continuing Operations Before Tax						
Advanced Engineered Materials	76	66	10	140	139	1
Consumer Specialties	159	127	32	199	182	17
Industrial Specialties	34	28	6	53	53	—
Acetyl Intermediates	79	154	(75)	140	268	(128)
Other Activities	(84)	(95)	11	(161)	(182)	21
Total	264	280	(16)	371	460	(89)
Depreciation and Amortization						
Advanced Engineered Materials	28	20	8	55	41	14
Consumer Specialties	11	13	(2)	20	25	(5)
Industrial Specialties	13	12	1	28	22	6
Acetyl Intermediates	19	25	(6)	39	50	(11)
Other Activities	4	2	2	7	6	1
Total	75	72	3	149	144	5
Operating Margin						
Advanced Engineered Materials	6.5%	7.8%		6.6%	9.6%	
Consumer Specialties	22.9%	16.5%		19.3%	18.3%	
Industrial Specialties	10.4%	8.5%		8.3%	8.6%	
Acetyl Intermediates	9.4%	16.6%		8.2%	15.3%	
Total	9.8%	11.9%		7.9%	11.9%	

Factors Affecting Business Segment Net Sales

The percentage increase (decrease) in net sales attributable to each of the factors indicated for each of our business segments is as follows:

Three Months Ended June 30, 2012 Compared to Three Months Ended June 30, 2011

	<u>Volume</u>	<u>Price</u>	<u>Currency</u>	<u>Other</u>	<u>Total</u>
			(unaudited)		
			(In percentages)		
Advanced Engineered Materials	(4)	2	(5)	—	(7)
Consumer Specialties	6	7	(1)	—	12
Industrial Specialties	5	(1)	(5)	—	(1)
Acetyl Intermediates	4	(10)	(4)	—	(10)
Total Company	3	(4)	(3)	—	(4)

Six Months Ended June 30, 2012 Compared to Six Months Ended June 30, 2011

	<u>Volume</u>	<u>Price</u>	<u>Currency</u>	<u>Other</u>	<u>Total</u>
			(unaudited)		
			(In percentages)		
Advanced Engineered Materials	(4)	2	(3)	—	(5)
Consumer Specialties	—	7	(1)	—	6
Industrial Specialties	5	1	(3)	—	3
Acetyl Intermediates	6	(7)	(2)	—	(3)
Total Company	3	(1)	(3)	—	(1)

Business Segments – Three and Six Months Ended June 30, 2012 Compared with Three and Six Months Ended June 30, 2011

Advanced Engineered Materials

	Three Months Ended June 30,		Change	Six Months Ended June 30,		Change
	2012	2011		2012	2011	
	(unaudited)					
	(In \$ millions, except percentages)					
Net sales	323	346	(23)	640	674	(34)
Net sales variance						
<i>Volume</i>	(4)%			(4)%		
<i>Price</i>	2 %			2 %		
<i>Currency</i>	(5)%			(3)%		
<i>Other</i>	— %			— %		
Other (charges) gains, net	(2)	(16)	14	(2)	(29)	27
Operating profit (loss)	21	27	(6)	42	65	(23)
Operating margin	6.5 %	7.8%		6.6 %	9.6%	
Equity in net earnings (loss) of affiliates	55	39	16	98	73	25
Earnings (loss) from continuing operations before tax	76	66	10	140	139	1
Depreciation and amortization	28	20	8	55	41	14

Our Advanced Engineered Materials segment develops, produces and supplies a broad portfolio of high performance specialty polymers for application in automotive, medical and electronics products, as well as other consumer and industrial applications. Together with our strategic affiliates, our Advanced Engineered Materials segment is a leading participant in the global specialty polymers industry. The primary products of Advanced Engineered Materials are POM, GUR® ultra-high molecular weight polyethylene, liquid crystal polymers ("LCP"), long-fiber reinforced thermoplastics ("LFT"), polybutylene terephthalate ("PBT"), polyethylene terephthalate ("PET"), and polycyclohexylene-dimethylene terephthalate ("PCT"). POM, LFT, PBT, PET and PCT are used in a broad range of products including automotive components, medical devices, electronics, appliances and industrial applications. GUR® ultra-high molecular weight polyethylene is used in battery separators, conveyor belts, filtration equipment, coatings and medical devices. Primary end uses for LCP are electrical and electronics applications or products. Polyphenylene sulfide ("PPS"), sold under the Fortron® brand, is a key product of Fortron Industries LLC, one of our strategic affiliates. PPS is used in a wide variety of automotive and other applications, especially those requiring heat and/or chemical resistance.

Advanced Engineered Materials' net sales changed \$(23) million and \$(34) million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011, due to lower demand for industrial and consumer goods applications, particularly in Europe and Asia, partially offset by higher volumes relating to automotive applications, mainly in North America. The weak Euro also resulted in an unfavorable currency translation impact on net sales. Slightly higher prices across almost all product lines partially offset the lower volumes and unfavorable currency impact.

Operating profit changed \$(6) million and \$(23) million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011. The decrease in operating profit for the three months ended June 30, 2012 was mainly driven by higher depreciation and amortization expense. For the six months ended June 30, 2012, higher pricing offset increased raw material costs, but could not offset the increased depreciation associated with the opening of the new POM production facility in Frankfurt Hoechst Industrial Park, Germany and an \$11 million increase in expenses, primarily related to integrating manufacturing operations from recently acquired product lines and investing in our compounding operations in Asia.

Depreciation and amortization increased \$14 million for the six months ended June 30, 2012 compared to the prior year due to the opening of the new POM production facility in Germany. Other charges decreased by \$14 million and \$27 million during the three and six months ended June 30, 2012, respectively, with the reduction in charges associated with the relocation of our Kelsterbach, Germany POM facility.

Earnings (loss) from continuing operations before tax changed \$10 million and \$1 million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011 as a result of an increase in equity in net earnings of affiliates. Net earnings from affiliates increased \$25 million for the six months ended June 30, 2012 from prior period results primarily driven by higher pricing in methanol and methyl tertiary-butyl ether (MTBE) in our Ibn Sina venture. This increase was partially offset by a decrease in operating profit resulting from reduced sales volumes, unfavorable currency impacts and higher depreciation.

Consumer Specialties

	Three Months Ended		Change	Six Months Ended		Change
	June 30,			June 30,		
	2012	2011		2012	2011	
	(unaudited)					
	(In \$ millions, except percentages)					
Net sales	327	291	36	591	557	34
Net sales variance						
Volume	6 %			— %		
Price	7 %			7 %		
Currency	(1)%			(1)%		
Other	— %			— %		
Other (charges) gains, net	4	(3)	7	3	(4)	7
Operating profit (loss)	75	48	27	114	102	12
Operating margin	22.9 %	16.5%		19.3 %	18.3%	
Equity in net earnings (loss) of affiliates	1	—	1	2	1	1
Dividend income - cost investments	83	78	5	83	78	5
Earnings (loss) from continuing operations before tax	159	127	32	199	182	17
Depreciation and amortization	11	13	(2)	20	25	(5)

Our Consumer Specialties segment consists of our Acetate Products and Nutrinova businesses, which serve consumer-driven applications. Our Acetate Products business is a leading producer and supplier of cellulose acetate flake, film and tow, primarily used in filter products applications. Our Nutrinova business is a leading international supplier of premium quality ingredients for the food, beverage and pharmaceuticals industries. Nutrinova produces and sells Sunett[®], a high intensity sweetener, and is one of the world's largest producers of food protection ingredients, such as sorbates and sorbic acid.

Net sales for Consumer Specialties increased 12% and 6% for the three and six months ended June 30, 2012, respectively, as compared to the same periods in 2011, due to higher Acetate Products volumes and pricing, offset slightly by lower Nutrinova volumes. Acetate Products volumes for the three months ended June 30, 2012 increased primarily due to the production interruption that occurred during the three months ended March 31, 2012 pushing volumes into the three months ended June 30, 2012, creating abnormal year over year results. Pricing increased across all regions for Acetate Products reflecting the higher wood pulp and energy costs during the three and six months ended June 30, 2012 compared to the same periods in 2011. Higher pricing for Nutrinova products offset lower volumes and partially offset unfavorable currency impacts from the weak Euro during the three and six months ended June 30, 2012. Nutrinova pricing increased primarily due to stronger demand in response to unplanned industry capacity constraints in China.

Operating profit changed \$27 million and \$12 million for the three and six months ended June 30, 2012, respectively, as compared to the same periods in 2011 as higher Acetate Products' volumes and pricing more than offset higher raw material and energy costs of \$9 million and \$16 million, respectively. During the three months ended June 30, 2012, operating profit was also favorably impacted by insurance recoveries of \$6 million related to the 2010 production outage at our Narrows, Virginia Acetate Products facility. This amount was offset by a charge by our captive insurance companies included in the Other Activities segment.

Depreciation and amortization decreased \$5 million for the six months ended June 30, 2012 compared to the same period in 2011 primarily due to the reduction of accelerated depreciation related to the planned closure of our acetate flake and tow manufacturing operations in Spondon, Derby, United Kingdom.

Our Chinese Acetate ventures pay a dividend in the second quarter of each fiscal year based on the ventures' performance for the preceding year. During the three months ended June 30, 2012 and 2011, we received cash dividends of \$83 million and \$78 million, respectively, from our Chinese Acetate ventures.

Industrial Specialties

	Three Months Ended		Change	Six Months Ended		Change
	June 30,			June 30,		
	2012	2011		2012	2011	
	(unaudited)					
	(In \$ millions, except percentages)					
Net sales	327	329	(2)	636	619	17
Net sales variance						
<i>Volume</i>	5 %			5 %		
<i>Price</i>	(1)%			1 %		
<i>Currency</i>	(5)%			(3)%		
<i>Other</i>	— %			— %		
Other (charges) gains, net	—	—	—	—	—	—
Operating profit (loss)	34	28	6	53	53	—
Operating margin	10.4 %	8.5%		8.3 %	8.6%	
Earnings (loss) from continuing operations before tax	34	28	6	53	53	—
Depreciation and amortization	13	12	1	28	22	6

Our Industrial Specialties segment includes our Emulsions and EVA Performance Polymers businesses. Our Emulsions business is a leading global producer of vinyl acetate-based emulsions and develops products and application technologies to improve performance, create value and drive innovation in applications such as paints and coatings, adhesives, construction, glass fiber, textiles and paper. Our emulsions products are sold under globally and regionally recognized brands including EcoVAE[®], Mowilith[®], Vinamul[®], Celvolit[®], BriteCoat[™], TufCOR[™] and Avicor[™]. On January 3, 2012, we completed the acquisition of certain assets from Ashland Inc., including two product lines, Vinac[®] and Flexbond[®], which will support the strategic growth of our Emulsions business. EVA Performance Polymers is a leading North American manufacturer of a full range of low-density polyethylene and specialty EVA resins and compounds. Sold under the Ateva[®] and VitalDose[™] brands, these products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, medical products, automotive, carpeting and photovoltaic cells.

Net sales changed \$(2) million and \$17 million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011. Volumes were up for both Emulsions and EVA Performance Polymers products compared to 2011. Volumes for Emulsions products increased 4% and 5% for the three and six months ended June 30, 2012, respectively, compared to prior year periods, primarily due to strong demand in North America and Asia Pacific, including sales of our recently acquired product lines, Vinac[®] and Flexbond[®], our recent China Emulsions facility expansion and sales of innovative applications, partially offset by lower demand in the European region due to the weak economy. EVA Performance Polymers products volumes increased 7% and 4% for the three and six months ended June 30, 2012, respectively, compared to prior year periods, primarily for sales in medical products applications. Higher Emulsions product pricing was offset by unfavorable foreign currency impacts, primarily due to the stronger dollar against the Euro and the Renminbi, while lower pricing for EVA Performance Polymers products, other than medical related products, reflect a weaker demand in North America, slower Asia sales and a decline in photovoltaic end-use demand.

Operating profit changed \$6 million, a 21% increase, for the three months ended June 30, 2012 compared to the same period in 2011 due to higher volumes and lower raw material costs, primarily ethylene and vinyl acetate monomer ("VAM"). Operating profit remained flat for the six months ended June 30, 2012 compared to 2011.

Depreciation and amortization increased \$6 million for the six months ended June 30, 2012 due to accelerated depreciation related to efficiency initiatives at our EVA Performance Polymers production facility in Edmonton, Alberta, Canada, as well as increased amortization in Emulsions related to the Ashland Inc. acquisition intangibles and increased depreciation related to the China capacity expansion.

Acetyl Intermediates

	Three Months Ended			Six Months Ended		
	June 30,			June 30,		
	2012	2011	Change	2012	2011	Change
	(unaudited)					
	(In \$ millions, except percentages)					
Net sales	821	914	(93)	1,673	1,727	(54)
Net sales variance						
<i>Volume</i>	4 %			6 %		
<i>Price</i>	(10)%			(7)%		
<i>Currency</i>	(4)%			(2)%		
<i>Other</i>	— %			— %		
Other (charges) gains, net	1	2	(1)	1	20	(19)
Operating profit (loss)	77	152	(75)	137	264	(127)
Operating margin	9.4 %	16.6%		8.2 %	15.3%	
Equity in net earnings (loss) of affiliates	2	1	1	3	3	—
Earnings (loss) from continuing operations before tax	79	154	(75)	140	268	(128)
Depreciation and amortization	19	25	(6)	39	50	(11)

Our Acetyl Intermediates segment produces and supplies acetyl products, including acetic acid, VAM, acetic anhydride and acetate esters. These products are generally used as starting materials for colorants, paints, adhesives, coatings and medicines. This business segment also produces organic solvents and intermediates for pharmaceutical, agricultural and chemical products.

Acetyl Intermediates' net sales changed \$(93) million and \$(54) million during the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011, primarily as a result of lower prices and unfavorable currency impacts, partially offset by higher downstream product volumes. Volumes increased during the three and six months ended June 30, 2012, mainly due to higher VAM demand. Lower net sales during the three months ended June 30, 2012 compared to the same period in 2011 reflect higher pricing as a result of planned and unplanned production outages across the industry that contributed to higher 2011 net sales. Similar outages have not occurred through the six months ended June 30, 2012. Acetic acid pricing also has declined in 2012 as compared to 2011 as a result of unfavorable economic conditions in Europe and Asia. Lower raw material costs during the three months ended June 30, 2012 have also contributed to price declines across most product lines.

We do not believe current economic conditions are reflective of the value of our acetyl products or those of certain feedstocks. As a result, we took action beginning in the three months ended March 31, 2012 and temporarily idled our 600,000 ton per year Singapore acetic acid plant. We continue to assess the status of our acetic acid plant in Singapore based on economic conditions.

Operating profit changed by \$(75) million and \$(127) million during the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011. The decrease in operating profit is primarily due to lower prices. During the three months ended June 30, 2012 the negative pricing impact was partially offset by lower raw material costs, with ethylene prices dropping approximately 8%^(a). During the six months ended June 30, 2012, the decrease in operating profit compared to 2011 reflected both lower pricing and higher raw material costs. During the six months ended June 30, 2012, the volatility of average industry prices for ethylene resulted in higher raw material costs, with average industry ethylene prices increasing approximately 6%^(a) but declining in June 2012. We expect the continued decline in ethylene prices to have an impact on future results. Unfavorable foreign currency translation effects caused a 14% and 10% decline in operating profit for the three and six months ended June 30, 2012, respectively, primarily due to the weaker Euro.

Other gains changed by \$(1) million and \$(19) million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011, impacting operating profit. For the six months ended June 30, 2011, we received consideration of \$17 million in connection with the settlement of a claim against a bankrupt supplier and \$4 million for the resolution of commercial disputes. In 2012 no such settlements occurred. Depreciation and amortization for the six months ended June 30, 2012 decreased by \$11 million mainly due to certain customer-related intangibles being fully amortized in 2011.

^(a) Based on average industry prices per IHS Chemical Price database.

Other Activities

Other Activities primarily consists of corporate center costs, including financing and administrative activities such as legal, accounting and treasury functions, interest income and expense associated with our financing and our captive insurance companies.

The operating loss for Other Activities remained relatively stable for the three and six months ended June 30, 2012 compared to the same period in 2011. Selling, general and administrative expenses were lower by \$11 million and \$7 million for the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011, primarily due to a decrease in costs associated with business optimization initiatives, executive compensation and other productivity spending reduction. Offsetting the lower selling, general and administrative expenses were higher other charges, consisting primarily of insurance retention costs from our captive insurance companies as a result of the production outage at our Narrows, Virginia Acetate Products facility in 2010. These charges are offset in our Consumer Specialties segment.

Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operations, available cash and cash equivalents and dividends from our portfolio of strategic investments. In addition, as of June 30, 2012 we have \$154 million available for borrowing under our credit-linked revolving facility and \$600 million available under our revolving credit facility to assist, if required, in meeting our working capital needs and other contractual obligations.

While our contractual obligations, commitments and debt service requirements over the next several years are significant, we continue to believe we will have available resources to meet our liquidity requirements, including debt service, in 2012. If our cash flow from operations is insufficient to fund our debt service and other obligations, we may be required to use other means available to us such as increasing our borrowings, reducing or delaying capital expenditures, seeking additional capital or seeking to restructure or refinance our indebtedness. There can be no assurance, however, that we will continue to generate cash flows at or above current levels.

In July 2012, we completed construction of a technology development unit for ethanol production at our facility in Clear Lake, Texas. We also completed construction of a new research and development facility at our Clear Lake site to continue the advancement of our acetyl and TCX[®] technologies.

In June 2012, we announced our intent to build a new 1.3 million ton per year methanol plant in Clear Lake, Texas. The unit is expected to start up in July 2015. We are currently evaluating various strategic alternatives that would allow us to share the off-take and minimize the capital expenditures of this planned facility.

In January 2011, we signed letters of intent to construct and operate one, and possibly two industrial ethanol production facilities in China. The sites selected were Nanjing, China at the Nanjing Chemical Industrial Park, and Zhuhai, China at the Gaolan Port Economic Zone. We expect to begin industrial ethanol production within 30 months following project approvals with anticipated initial nameplate capacity of 400,000 tons per year per unit and an initial investment of approximately \$300 million per unit. In June 2011, we announced our plans to accelerate our entry into the industrial ethanol business six to 12 months by modifying and enhancing our existing integrated acetyl facility at the Nanjing Chemical Industrial Park with our TCX[®] advanced technology. In March 2012, we announced we had received key government approvals necessary to proceed with our plans to modify and enhance our Nanjing facility and that we expect a 30-40% increase in the ethanol unit's total capacity above the previously announced 200,000 tons per year with no increase in the capital investment for the modification and enhancement. The unit is expected to startup in mid-2013.

In April 2010, we announced that, through our strategic affiliate Ibn Sina, we will construct a 50,000 ton POM production facility in Saudi Arabia. Our pro rata share of invested capital in the POM expansion is expected to total approximately \$165 million over a four year period which began in late 2010.

As a result of the National Emission Standard for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters ("Boiler MACT") regulations discussed in *Item 1A. Risk Factors* in our 2011 Form 10-K, we preliminarily estimate our costs in the US to exceed \$150 million in total over the next four years, depending on the timing and requirements of the final rule.

In addition to exit-related costs associated with the closure of the Spondon, Derby, United Kingdom acetate flake and tow manufacturing operations, we expect to incur capital expenditures in certain capacity and efficiency improvements, principally at our Lanaken, Belgium facility, to optimize our global production network.

Total Company cash outflows for capital expenditures, including the specific projects above, are expected to be in the range of \$325 million to \$350 million in 2012, excluding amounts related to the relocation of our Ticona plant in Kelsterbach and capacity expansion in Europe. Per the terms of our agreement with the Frankfurt, Germany Airport, we ceased POM operations at our Kelsterbach, Germany facility prior to July 31, 2011 and in September 2011 announced the opening of our new POM production facility in Frankfurt Hoechst Industrial Park, Germany. We expect related cash outflows for capital expenditures related to the continued expansion of the new POM production facility in 2012 to be approximately €43 million.

In December 2009, we announced plans with China National Tobacco Corporation to expand the acetate flake and tow capacity at the venture's Nantong facility and in 2010 we received formal approval to expand flake and tow capacities, each by 30,000 tons. Our Chinese Acetate ventures fund their operations using operating cash flow. During 2011 and 2010, we made contributions related to the capacity expansion in Nantong of \$8 million and \$12 million, respectively. We contributed an additional \$9 million to the Nantong expansion during the six months ended June 30, 2012.

On a stand-alone basis, Celanese has no material assets other than the stock of its subsidiaries and no independent external operations of its own. As such, Celanese generally will depend on the cash flow of its subsidiaries and their abilities to pay dividends and make other distributions to Celanese in order for Celanese to meet its obligations, including its obligations under its senior credit facilities and its senior notes and to pay dividends on its Series A common stock.

Cash Flows

Cash and cash equivalents increased \$118 million to \$800 million as of June 30, 2012 as compared to December 31, 2011. As of June 30, 2012, \$618 million of the \$800 million of cash and cash equivalents was held by our foreign subsidiaries. If these funds are needed for our operations in the US, we may be required to accrue and pay US taxes to repatriate these funds. Our intent is to permanently reinvest these funds outside of the US, with the possible exception of funds that have been previously subject to US federal and state taxation. Our current plans do not demonstrate a need to repatriate cash held by our foreign subsidiaries in a taxable transaction to fund our US operations.

- ***Net Cash Provided by Operating Activities***

Cash flow provided by operations increased \$86 million for the six months ended June 30, 2012 as compared to the same period in 2011, with cash inflows increasing from \$316 million to \$402 million. Cash flow provided by operations was positively impacted by the increase in earnings from continuing operations, an increase in dividends received from investments in affiliates, partially offset by the change in trade working capital. Trade working capital was primarily impacted by an increase in trade receivables and inventories, partially offset by an increase in trade payables. Trade receivables increased primarily due to the timing of net sales. Inventories increased primarily due to increases in production and inventory build-up for upcoming turnarounds. Trade payables increased primarily due to increases in production and expenditures on capital projects. The increase in cash provided by operations was also impacted by higher pension contributions made during the six months ended June 30, 2012 as compared to the same period in 2011. Employer pension and other postretirement benefit contributions were \$108 million during the six months ended June 30, 2012 compared to \$68 million for the same period in 2011.

- ***Net Cash Used in Investing Activities***

Net cash used in investing activities increased \$150 million for the six months ended June 30, 2012 as compared to the same period in 2011, with cash outflows increasing from \$133 million to \$283 million. During the six months ended June 30, 2011, we received \$158 million from the Frankfurt, Germany Airport related to the relocation of our Kelsterbach, Germany Ticona operations. No such proceeds were received in 2012.

- **Net Cash Provided by (Used in) Financing Activities**

Net cash provided by (used in) financing activities changed by \$202 million to a cash inflow of \$4 million from a cash outflow of \$198 million for the six months ended June 30, 2012 and 2011, respectively. The change in cash provided by (used in) financing activities is primarily related to \$143 million of lower net repayments of short-term borrowings and long-term debt and \$38 million of higher proceeds from stock option exercises when compared to the same period in 2011.

Debt and Other Obligations

- **Senior Notes**

In September 2010, Celanese US completed the private placement of 600 million in aggregate principal amount of 6.625% senior unsecured notes due 2018 (the "6.625% Notes") under an indenture dated September 24, 2010 (the "Indenture") among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. In April 2011, Celanese US registered the 6.625% Notes under the Securities Act of 1933, as amended (the "Securities Act"). Celanese US pays interest on the 6.625% Notes on April 15 and October 15 of each year which commenced on April 15, 2011. The 6.625% Notes are redeemable, in whole or in part, at any time on or after October 15, 2014 at the redemption prices specified in the Indenture. Prior to October 15, 2014, Celanese US may redeem some or all of the 6.625% Notes at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, plus a "make-whole" premium as specified in the Indenture. The 6.625% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US. The 6.625% Notes are guaranteed on a senior unsecured basis by Celanese and each of the domestic subsidiaries of Celanese US that guarantee its obligations under its senior secured credit facilities (the "Subsidiary Guarantors").

The Indenture contains covenants, including, but not limited to, restrictions on our ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; engage in transactions with affiliates; or engage in other businesses.

Additionally, in May 2011, Celanese US completed an offering of \$400 million in aggregate principal amount of 5.875% senior unsecured notes due 2021 (the "5.875% Notes") in a public offering registered under the Securities Act. The 5.875% Notes are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors.

The 5.875% Notes were issued under an indenture and a first supplemental indenture, each dated May 6, 2011 (the "First Supplemental Indenture") among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. Celanese US pays interest on the 5.875% Notes on June 15 and December 15 of each year which commenced on December 15, 2011. Prior to June 15, 2021, Celanese US may redeem some or all of the 5.875% Notes at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date, plus a "make-whole" premium as specified in the First Supplemental Indenture. The 5.875% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US.

The First Supplemental Indenture contains covenants, including, but not limited to, restrictions on our ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; engage in transactions with affiliates; or engage in other businesses.

- **Senior Credit Facilities**

In September 2010, we entered into an amendment agreement with the lenders under our existing senior secured credit facilities in order to amend and restate the corresponding credit agreement, dated as of April 2, 2007 (as previously amended, the "Existing Credit Agreement", and as amended and restated by the amendment agreement, the "Amended Credit Agreement"). Our Amended Credit Agreement consists of the Term C loan facility due 2016, the Term B loan facility due 2014, a \$600 million revolving credit facility terminating in 2015 and a \$228 million credit-linked revolving facility terminating in 2014.

In May 2011, Celanese US, through its subsidiaries, prepaid the outstanding Term B loan facility under the Amended Credit Agreement set to mature in 2014 in an aggregate principal amount of \$516 million using proceeds from the 5.875% Notes and cash on hand. The prepaid principal amount was comprised of \$414 million of US dollar-denominated Term B loan facility and €69 million of Euro-denominated Term B loan facility.

The balances available for borrowing under the revolving credit facility and the credit-linked revolving facility are as follows:

	As of June 30, 2012 (unaudited) (In \$ millions)
Revolving Credit Facility	
Borrowings outstanding	—
Letters of credit issued	—
Available for borrowing	600
Credit-Linked Revolving Facility	
Letters of credit issued	74
Available for borrowing	154

As a condition to borrowing funds or requesting that letters of credit be issued under the revolving credit facility, our first lien senior secured leverage ratio (as calculated as of the last day of the most recent fiscal quarter for which financial statements have been delivered under the revolving facility) cannot exceed the threshold as specified below. Further, our first lien senior secured leverage ratio must be maintained at or below that threshold while any amounts are outstanding under the revolving credit facility.

Our amended first lien senior secured leverage ratios and the borrowing capacity under the revolving credit facility are as follows:

	As of June 30, 2012			Borrowing Capacity (In \$ millions)
	Maximum	Estimate	Estimate, If Fully Drawn	
			(unaudited)	
First Lien Senior Secured Leverage Ratios	3.90 to 1.00	1.08 to 1.00	1.53 to 1.00	600

The Amended Credit Agreement contains covenants including, but not limited to, restrictions on our ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; make investments; prepay or modify certain indebtedness; engage in transactions with affiliates; enter into sale-leaseback transactions or hedge transactions; or engage in other businesses.

We are in compliance with all of the covenants related to our debt agreements as of June 30, 2012.

Share Capital

Our Board of Directors follows a policy of declaring, subject to legally available funds, a quarterly cash dividend on each share of our Series A Common Stock, par value \$0.0001 per share ("Common Stock") unless the Board of Directors, in its sole discretion, determines otherwise. The amount available to pay cash dividends is restricted by our Amended Credit Agreement, the 6.625% Notes and the 5.875% Notes.

On April 23, 2012, we announced that our Board of Directors approved a 25% increase in our quarterly Common Stock cash dividend. The Board of Directors increased the quarterly dividend rate from \$0.06 to \$0.075 per share of Common Stock on a quarterly basis and \$0.24 to \$0.30 per share of Common Stock on an annual basis. The new dividend rate will be applicable to dividends payable beginning in August 2012.

Our Board of Directors authorized the repurchase of our Common Stock as follows:

	Authorized Amount (unaudited) (In \$ millions)
February 2008	400
October 2008	100
April 2011	129
As of June 30, 2012	629

These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased. This repurchase program does not have an expiration date.

The share repurchase activity pursuant to this authorization is as follows:

	Six Months Ended June 30,		Total From February 2008 Through June 30, 2012
	2012	2011 (unaudited)	
Shares repurchased	636,710	273,753	12,719,518
Average purchase price per share	\$ 45.09	\$ 47.54	\$ 38.13
Amount spent on repurchased shares (in millions)	\$ 28	\$ 13	\$ 485

The purchase of treasury stock reduces the number of shares outstanding and the repurchased shares may be used by us for compensation programs utilizing our stock and other corporate purposes. We account for treasury stock using the cost method and include treasury stock as a component of stockholders' equity.

Contractual Obligations

Except as otherwise described in this report, there have been no material revisions outside the ordinary course of business to our contractual obligations as described in our 2011 Form 10-K.

Off-Balance Sheet Arrangements

We have not entered into any material off-balance sheet arrangements.

Critical Accounting Policies and Estimates

Our unaudited interim consolidated financial statements are based on the selection and application of significant accounting policies. The preparation of unaudited interim consolidated financial statements in conformity with US Generally Accepted Accounting Principles ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the unaudited interim consolidated financial statements and the reported amounts of revenues, expenses and allocated charges during the reporting period. Actual results could differ from those estimates. However, we are not currently aware of any reasonably likely events or circumstances that would result in materially different results.

We describe our significant accounting policies in Note 2, Summary of Accounting Policies, of the Notes to Consolidated Financial Statements included in our 2011 Form 10-K. We discuss our critical accounting policies and estimates in MD&A in our 2011 Form 10-K.

There have been no material revisions to the critical accounting policies as filed in our 2011 Form 10-K.

Recent Accounting Pronouncements

See Note 2 to the accompanying unaudited interim consolidated financial statements included in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk for our Company has not changed materially from the foreign exchange, interest rate and commodity risks disclosed in Item 7A. Quantitative and Qualitative Disclosures about Market Risk in our 2011 Form 10-K. See also Note 15 to the accompanying unaudited interim consolidated financial statements for further discussion of our market risk management and the related impact on our financial position and results of operations.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, as of June 30, 2012, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

Changes in Internal Control Over Financial Reporting

During the period covered by this report, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in a number of legal and regulatory proceedings, lawsuits and claims incidental to the normal conduct of our business, relating to such matters as product liability, land disputes, contracts, antitrust, intellectual property, workers' compensation, chemical exposure, asbestos exposure, prior acquisitions and divestitures, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where it is named as a defendant. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, the Company's litigation accruals and estimates of possible loss or range of possible loss may not represent the ultimate loss to the Company from legal proceedings. See Note 11 and Note 17 in the accompanying unaudited interim consolidated financial statements for a discussion of material environmental matters and commitments and contingencies related to legal and regulatory proceedings. There have been no significant developments in the "Legal Proceedings" described in our 2011 Form 10-K other than those disclosed in Notes 11 and 17 in the accompanying unaudited interim consolidated financial statements.

Item 1A. Risk Factors

There have been no material changes to the risk factors under Part I, Item 1A of our 2011 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below sets forth information regarding repurchases of our Common Stock during the three months ended June 30, 2012:

Period	Total Number of Shares Purchased	Average Price Paid per Share (unaudited)	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares Remaining that may be Purchased Under the Program ⁽²⁾
April 1-30, 2012	71,712 ⁽¹⁾	\$ 46.60	67,055	\$ 149,000,000
May 1-31, 2012	57,574	\$ 43.24	57,574	\$ 147,000,000
June 1-30, 2012	67,180	\$ 36.92	67,180	\$ 144,000,000
Total	196,466		191,809	

⁽¹⁾ Includes 4,657 shares withheld from employees to cover their statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock units.

⁽²⁾ Our Board of Directors authorized the repurchase of our Common Stock as follows: February 2008, \$400 million, October 2008, \$100 million and April 2011, \$129 million, for a total authorization of \$629 million. These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased, and the program does not have an expiration date.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description</u>
3.1	Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Annual Report on Form 10-K filed with the SEC on February 11, 2011).
3.2	Third Amended and Restated By-laws, effective as of October 23, 2008 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed with the SEC on October 29, 2008).
10.1‡	Celanese Corporation 2009 Global Incentive Plan, as Amended and Restated, April 19, 2012 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the SEC on April 23, 2012).
10.2*‡	Form of Nonqualified Stock Option Award Agreement for Chief Executive Officer.
10.3*‡	Form of Time-Vesting Restricted Stock Award Agreement for Chief Executive Officer.
10.4*‡	Form of Performance-Vesting Restricted Stock Unit Award Agreement for Chief Executive Officer.
10.5*‡	Form of 2012 Change in Control Agreement between Celanese Corporation and participant, together with a schedule identifying each of the executive officers with substantially identical agreements.
10.6*‡	Form of Amendment to 2010 and 2011 Nonqualified Stock Option Award Agreements, dated April 18, 2012, together with a schedule identifying each of the executive officers with substantially identical agreements.
10.7*‡	Form of Amendment to 2010 and 2011 Time-Vesting Restricted Stock Unit Award Agreements, dated April 18, 2012, together with a schedule identifying each of the executive officers with substantially identical agreements.
10.8*‡	Form of Amendment to 2010 and 2011 Performance-Vesting Restricted Stock Unit Award Agreements, dated April 18, 2012, together with a schedule identifying each of the executive officers with substantially identical agreements.
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith

‡ Indicates a management contract or compensatory plan or arrangement

SIGNATURES

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

CELANESE CORPORATION

By: /s/ MARK C. ROHR

Mark C. Rohr
Chairman of the Board of Directors and
Chief Executive Officer

Date: July 25, 2012

By: /s/ STEVEN M. STERIN

Steven M. Sterin
Senior Vice President and
Chief Financial Officer

Date: July 25, 2012

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Section 2: EX-10.2 (FORM OF STOCK OPTION AGREEMENT)

Exhibit 10.2



CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN

FORM OF
NONQUALIFIED STOCK OPTION AWARD AGREEMENT
FOR CHIEF EXECUTIVE OFFICER
DATED <<GRANT DATE>>

<<NAME>>

Pursuant to the terms and conditions of the Celanese Corporation 2009 Global Incentive Plan, you have been awarded Nonqualified Stock Options with respect to Celanese Common Stock, subject to the restrictions described in this Agreement:

Stock Option Award

<<# Shares>> Shares

This grant is made pursuant to the Nonqualified Stock Option Award Agreement dated as of <<Grant Date>>, between Celanese and you, which Agreement is attached hereto and made a part hereof.

**CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN**

NONQUALIFIED STOCK OPTION AWARD AGREEMENT

This Nonqualified Stock Option Award Agreement (the "Agreement") is made and entered into as of <<Grant Date>> (the "Grant Date") by and between Celanese Corporation, a Delaware corporation (the "Company"), and <<Name>> (the "Participant"). Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Celanese Corporation 2009 Global Incentive Plan (as amended from time to time, the "2009 Plan").

1. **Grant of Option:** In order to encourage Participant's contribution to the successful performance of the Company, the Company hereby grants to Participant as of the Grant Date, pursuant to the terms of the 2009 Plan and this Agreement, an award (the "Award") of nonqualified stock options (the "Option") to purchase all or any part of the number of Common Shares that are covered by such Option at the Exercise Price per share, in each case as specified below. The Participant hereby acknowledges and accepts such Award upon the terms and subject to the other conditions, restrictions and limitations contained in this Agreement and the 2009 Plan.

Number of Common Shares Subject to Option	<<# Shares>>
Grant Date:	<<Grant Date>>
Exercise Price Per Share:	<<Exercise Price>>
Expiration Date:	<<Expiration Date>>
Vesting Schedule (each date on which a portion of the Option vests and become exercisable, a "Vesting Date", and each period between the Grant Date and a Vesting Date, a "Vesting Period")	<<Vesting Schedule>>

2. **Non-Qualified Stock Option:** The Option is not intended to be an incentive stock option under Section 422 of the Code and this Agreement will be interpreted accordingly.

3. **Exercise of Option:**

(a) The Option shall not be exercisable as of the Grant Date. After the Grant Date, to the extent not previously exercised, and subject to termination or acceleration as provided in this Agreement or in the 2009 Plan, the Option shall be exercisable to the extent it becomes vested, as described in this Agreement, to purchase up to that number of Common Shares as set forth above, subject to the holding period requirements of Section 4 below and the Participant's continued employment with the Company (except as set forth in Section 5 below). The vesting period and/or exercisability of the Option may be adjusted by the Committee to reflect the decreased level of employment during any period in which the Participant is on an approved leave of absence or is employed on a less than full time basis.

(b) To exercise the Option (or any part thereof), the Participant shall notify the Company and its designated stock plan administrator or agent, as specified by the Company (the "Administrator"), and indicate both (i) the number of whole shares of Common Stock the Participant wishes to purchase pursuant to such Option, and (ii) how the Participant wishes the shares of Common Stock to be registered (*i.e.* - in the Participant's name or in the Participant's and the Participant's spouse's name as community property or as joint tenants with rights of survivorship).

(c) The exercise price (the "Exercise Price") of the Option is set forth in Section 1. The Company shall not be obligated to issue any Common Shares until Participant shall have paid the total Exercise Price for that number of Common Shares. The Exercise Price may be paid in any of the following forms, or in a combination thereof: (i) cash or its equivalent, (ii) by means of tendering to the Company Common Shares owned by the Participant without reference to this Option, (iii) if there is a public market for the Common Shares at the time of exercise, subject to such rules as may be established by the Committee, through delivery of irrevocable instructions to a broker to sell the Common Shares otherwise deliverable upon the exercise of the Option and deliver promptly to the Company an amount equal to the aggregate Exercise Price, or (iv) any other method approved by the Committee.

(d) Common Shares will be issued as soon as practical following exercise of the Option. Notwithstanding the above, the Company shall not be obligated to deliver any Common Shares during any period in which the Company determines that the exercisability of the Option or the delivery of Common Shares pursuant to this Agreement would violate any federal, state or other applicable laws.

4. **Holding Period Requirement:**

(a) Net Profit Shares (as defined below) acquired upon exercise of the Option must be held by the Participant until the earliest of (i) the first anniversary of the date of exercise, (ii) the Participant's death or Disability or (iii) the occurrence of a Change in Control (the "Restrictions Lapse Date"). In addition, Net Profit Shares are subject to forfeiture in connection with the termination of employment for "Cause" prior to the Restrictions Lapse Date as provided below. Any attempt to sell, transfer, pledge, sign or otherwise alienate or hypothecate Net Profit Shares prior to completion of such period shall be null and void.

(b) As of the Grant Date of this Award, Morgan Stanley Smith Barney LLC ("Administrator") has been engaged by the Company to provide record-keeping, administrative and brokerage services to participants in the 2009 Plan. In that regard, so long as Administrator remains engaged by the Company to provide those services, the Net Profit Shares shall be held in a brokerage account administered by Administrator during the period of non-transferability described in this Section 4. If the Company hereafter engages a new administrator to provide record-keeping, administrative and brokerage services as a successor to Administrator, the Participant agrees that such brokerage account shall be transferred to such successor administrator. **BY ENTERING INTO THIS AGREEMENT, THE PARTICIPANT IS ALSO HEREBY ENTERING INTO THE INSTRUCTION LETTER WITH ADMINISTRATOR IN THE FORM ATTACHED HERETO AS EXHIBIT A** (unless such a letter was provided in a prior year that is applicable to this Award), pursuant to which the Participant authorizes Administrator to follow any duly authorized instructions of the Company regarding the forfeiture of Net Profit Shares in accordance with Section 5 below. Administrator shall be a third-party beneficiary of this Agreement for purposes of relying on the provisions of this Agreement.

5. **Effects of Certain Events:**

(a) Upon the termination of Participant's employment by Company without Cause (other than Retirement) or due to the Participant's death or Disability, a prorated portion of the unvested portion of the Option will vest in an amount equal to (i) the unvested Option in each Vesting Period multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination without Cause or due to the Participant's death or Disability, and the denominator of which is the number of complete and partial calendar months in each applicable Vesting Period, such product to be rounded up to the nearest whole number. The Participant (or the Participant's estate, beneficiary or legal

representative) may exercise the vested portion of the Option until the earlier of (1) the twelve-month anniversary of the date of such termination of employment or (2) the Expiration Date. The remaining portion of the Option shall be forfeited and cancelled without consideration.

(b) Upon the termination of a Participant's employment with the Company by reason of the Participant's voluntary resignation (other than for Retirement), (i) the unvested portion of the Option shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment, (ii) the Participant may exercise the vested portion of the Option until the earlier of (1) ninety (90) days following the date of such termination of employment and (2) the Expiration Date, and (iii) any outstanding Net Profit Shares will continue to be subject to the holding period requirement until the Restrictions Lapse Date.

(c) Upon the termination of the Participant's employment by the Participant for Retirement, (i) the unvested portion of the Option will continue to vest and become exercisable on the regular vesting schedule set forth in Section 1, (ii) the Participant may exercise the vested portion of the Option subject to Section 4 until the Expiration Date, and (iii) any outstanding Net Profit Shares will continue to be subject to the holding period requirement set forth in Section 4 above until the Restrictions Lapse Date.

(d) Upon the termination of a Participant's employment with the Company for "Cause", (i) the vested and unvested portion of the Option shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment, and (ii) any Net Profit Shares held by the Participant on the date of termination that have not yet become transferable in accordance with Section 4 above shall be immediately forfeited. In that case, (1) the Participant's right to vote and to receive dividends on, and all other rights, title or interest in, or with respect to, such forfeited Net Profit Shares shall automatically, without further act, terminate, and (2) such forfeited Net Profit Shares shall be returned to the Company. The Participant hereby irrevocably appoints (which appointment is coupled with an interest) the Company as the Participant's agent and attorney-in-fact to take any necessary or appropriate action to cause any forfeited Net Profit Shares to be returned to the Company, including without limitation executing and delivering stock powers and instruments of transfer, making endorsements and/or making, initiating or issuing instructions or entitlement orders, all in the Participant's name and on the Participant's behalf. The Participant hereby ratifies and approves all acts done by the Company as such attorney-in-fact. Without limiting the foregoing, the Participant expressly acknowledges and agrees that any transfer agent for such forfeited Net Profit Shares is fully authorized and protected in relying on, and shall incur no liability in acting on, in the documents, instruments, endorsements, instructions, orders or communications from the Company in connection with such forfeited Net Profit Shares or any transfer thereof, and that any such transfer agent is a third-party beneficiary of this Agreement.

6. **Rights as a Stockholder:** The Participant shall have no voting, dividend or other rights as a stockholder with respect to the Award until the Options have been exercised and Common Shares have been delivered pursuant to this Agreement.

7. **Change in Control:** Notwithstanding any other provision of this Agreement to the contrary, upon the occurrence of a Change in Control, with respect to any unexercised Options granted pursuant to this Agreement that have not previously been forfeited:

(a) If (i) the Participant's rights to the unexercisable portion of the Option is not adversely affected in connection with the Change in Control, or, if adversely affected, a substitute award with an equivalent (or greater) economic value and no less favorable vesting conditions is granted to the Participant upon the occurrence of a Change in Control, and (ii) the Participant's employment is terminated by the Company (or its successor) without Cause within two years

following the Change in Control, then the unexercisable portion of the Option (or, as applicable, the substitute award) shall immediately vest and become exercisable, and shall remain exercisable for such period as specified by the Committee and communicated to the Participant.

(b) If the Participant's rights to the unexercisable portion of the Option is adversely affected in connection with the Change in Control and a substitute award is not made pursuant to Section 7(a) above, then upon the occurrence of a Change in Control, the unexercisable portion of the Option shall immediately vest and become exercisable, and shall remain exercisable for such period as specified by the Committee and communicated to the Participant.

In addition, in accordance with Section 4(b) above, the holding period for any Net Profit Shares outstanding as of the occurrence of a Change in Control shall lapse and the holding period requirements of Section 4(b) shall not apply to any exercise of the Option after the occurrence of the Change in Control (if applicable).

8. **Income and Other Taxes:** The Company shall not deliver Common Shares in respect of the exercise of the Option unless and until the Participant has made arrangements satisfactory to the Committee to satisfy applicable withholding tax obligations for US federal, state, and local income taxes (or the foreign counterpart thereof) and applicable employment taxes. Unless otherwise permitted by the Committee, withholding shall be effected at the minimum statutory rates by withholding Common Shares issuable in connection with the exercise of the Option. The Participant acknowledges that the Company shall have the right to deduct any taxes required to be withheld by law in connection with the delivery of Common Shares issued in respect to the exercise of the Option from any amounts payable by it to the Participant (including, without limitation, future cash wages). The Participant acknowledges and agrees that amounts withheld by the Company for taxes may be less than amounts actually owed for taxes by the Participant in respect of the Award.

9. **Securities Laws:** The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Common Shares issued as a result of the exercise of the Option, including without limitation (a) restrictions under an insider trading policy, and (b) restrictions as to the use of a specified brokerage firm for such resales or other transfers. Upon the acquisition of any Common Shares pursuant to the exercise of the Option, the Participant will make or enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement and the 2009 Plan. All accounts in which such Common Shares are held or any certificates for Common Shares shall be subject to such stop transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange or quotation system upon which the Common Shares are then listed or quoted, and any applicable federal or state securities law, and the Company may cause a legend or legends to be put on any such certificates (or other appropriate restrictions and/or notations to be associated with any accounts in which such Common Shares are held) to make appropriate reference to such restrictions.

10. **Non-Transferability of Award:** The Option and any Net Profit Shares may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company; provided, that the Participant may designate a beneficiary, on a form provided by the Company, to receive any portion of the Award payable hereunder following the Participant's death.

11. **Other Agreements:** Subject to Sections 11(a) and 11(b) of this Agreement, this Agreement and the 2009 Plan constitute the entire understanding between the Participant and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the

Award are superseded.

(a) The Participant acknowledges that as a condition to the receipt of the Award, the Participant:

(1) shall have delivered to the Company an executed copy of this Agreement;

(2) shall be subject to the Company's stock ownership guidelines;

(3) shall be subject to policies and agreements adopted by the Company from time to time, and applicable laws and regulations, requiring the repayment by the Participant of incentive compensation under certain circumstances, without any further act or deed or consent of the Participant; and

(4) shall have delivered to the Company an executed copy of the Long-Term Incentive Claw-Back Agreement (if a current version of such Long-Term Incentive Claw-Back Agreement is not already on file, as determined by the Committee in its sole discretion). For purposes hereof, "Long-Term Incentive Claw-Back Agreement" means an agreement between the Company and the Participant associated with the grant of long-term incentives of the Company, which contains terms, conditions, restrictions and provisions regarding one or more of (i) noncompetition by the Participant with the Company, and its customers and clients; (ii) nonsolicitation and non-hiring by the Participant of the Company's employees, former employees or consultants; (iii) maintenance of confidentiality of the Company's and/or clients' information, including intellectual property; (iv) nondisparagement of the Company; and (v) such other matters deemed necessary, desirable or appropriate by the Company for such an agreement in view of the rights and benefits conveyed in connection with an award.

(b) If the Participant is a non-resident of the U.S., there may be an addendum containing special terms and conditions applicable to awards in the Participant's country. The issuance of the Award to any such Participant is contingent upon the Participant executing and returning any such addendum in the manner directed by the Company.

12. **Not a Contract for Employment; No Acquired Rights:** Nothing in the 2009 Plan, this Agreement or any other instrument executed in connection with the Award shall confer upon the Participant any right to continue in the Company's employ or service nor limit in any way the Company's right to terminate the Participant's employment at any time for any reason. The grant of Options hereunder, and any future grant of awards to the Participant under the 2009 Plan, is entirely voluntary and at the complete and sole discretion of the Company. Neither the grant of these Options nor any future grant of awards by the Company shall be deemed to create any obligation to grant any further awards, whether or not such a reservation is expressly stated at the time of such grants. The Company has the right, at any time and for any reason, to amend, suspend or terminate the 2009 Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Participant's rights hereunder.

13. **Severability:** In the event that any provision of this Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of this Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

14. **Further Assurances:** Each party shall cooperate and take such action as may be reasonably requested by either party hereto in order to carry out the provisions and purposes of this Agreement.

15. **Binding Effect:** The Award and this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

16. **Electronic Delivery:** By executing this Agreement, the Participant hereby consents to the delivery of any and all information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws), in whole or in part, regarding the Company and its subsidiaries, the 2009 Plan, and the Award via electronic mail, the Company's or a plan administrator's web site, or other means of electronic delivery.

17. **Personal Data:** By accepting the Award under this Agreement, the Participant hereby consents to the Company's use, dissemination and disclosure of any information pertaining to the Participant that the Company determines to be necessary or desirable for the implementation, administration and management of the 2009 Plan.

18. **Governing Law:** The Award and this Agreement shall be interpreted and construed in accordance with the laws of the state of Delaware and applicable federal law.

19. **Option Subject to Plan:** By entering into this Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the 2009 Plan and the 2009 Plan's prospectus. The Option and the Common Shares issued upon exercise of such Option are subject to the 2009 Plan, which is hereby incorporated by reference. In the event of any conflict between any term or provision of this Agreement and a term or provision of the 2009 Plan, the applicable terms and provisions of the 2009 Plan shall govern and prevail.

20. **Validity of Agreement:** This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the Option granted pursuant to this Agreement shall be forfeited by the Participant and this Agreement shall have no force and effect if it is not duly executed by the Participant and delivered to the Company on or before <<Validity Date>>.

21. **Headings:** The headings preceding the text of the sections hereof are inserted solely for convenience of reference, and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

22. **Definitions:** The following terms shall have the following meanings for purposes of this Agreement, notwithstanding any contrary definition in the Plan:

(a) "Cause" means (i) the Participant's willful failure to perform the Participant's duties to the Company (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 30 days following written notice by the Company to Participant of such failure, (ii) conviction of, or a plea of nolo contendere to, (x) a felony under the laws of the United States or any state thereof or any similar criminal act in a jurisdiction outside the United States or (y) a crime involving moral turpitude, (iii) the Participant's willful malfeasance or willful misconduct which is demonstrably injurious to the Company or its affiliates, (iv) any act of fraud by the Participant, (v) any material violation of the Company's business conduct policy, (vi) any material violation of the Company's policies concerning harassment or discrimination, (vii) the Participant's conduct that causes material harm to the business reputation of the Company or its affiliates, or (viii) the Participant's breach of any confidentiality, intellectual property, non-competition or non-solicitation applicable to the Participant under the Long-Term Incentive Claw-Back Agreement or any other agreement between the Participant and the Company.

(b) “*Change in Control*” of the Company shall mean, in accordance with Treasury Regulation Section 1.409A-3(i)(5), any of the following:

(i) any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total voting power of the stock of the Company; or

(ii) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iii) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to 50% or more of all of the assets of the Company immediately prior to such acquisition or acquisitions.

(c) “*Disability*” has the same meaning as “Disability” in the Celanese Corporation 2008 Deferred Compensation Plan or such other meaning as determined by the Committee in its sole discretion.

(d) “*Net Profit Shares*” means the aggregate number of Shares determined by the Company's Human Resources Department representing the total number of Shares remaining after taking into account the following costs related to exercise: (i) the aggregate Option Price with respect to the exercise; (ii) the amount of all applicable taxes with respect to the exercise, assuming the Participant's maximum applicable federal, state and local tax rates (and applicable employment taxes); and (iii) any transaction costs. The Company's Human Resources Department will determine the number of Net Profit Shares for any particular exercise.

(e) “*Retirement*” of the Participant shall mean a separation from service on or after the date when the Participant is both 65 years of age and has five years of service with the Company (excluding periods of service as a non-employee director), other than a separation from service for Cause.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Participant has also executed this Agreement in duplicate.

CELANESE CORPORATION

By: _____
<<Name, Title>>

This Agreement has been accepted and agreed to by the undersigned Participant.

PARTICIPANT

By: _____

Name: <<Name>>

Employee ID: <<Personnel Number>>

Date: _____

EXHIBIT A

<<Date>>

Morgan Stanley Smith Barney LLC
Canal Street Station
P.O. Box 737
New York, New York 10013-0737

Re: Brokerage Account at Morgan Stanley Smith Barney LLC
Registered in the name of <<Name>> (the "Account")

Ladies and Gentlemen:

This letter sets forth my instructions to Morgan Stanley Smith Barney LLC (the "Service Provider") regarding shares of the Common Stock of Celanese Corporation (the "Issuer") acquired by me under the 2009 Global Incentive Plan (the "2009 Plan") that are subject to a holding period requirement and held in the Account (the "Shares"). For purposes of this letter, the Shares include any shares of the Issuer acquired pursuant to the exercise of stock options granted to me under the 2009 Plan in 2012 and later years that are subject to a holding period requirement.

1. I am a participant in the 2009 Plan, an equity compensation plan of the Issuer whereby I have been granted options to acquire shares of the Common Stock of the Issuer.
2. I am familiar with the terms of the 2009 Plan and applicable grant agreement ("Controlling Documents") with respect to the Shares. I will not give any instructions to the Service Provider regarding the Shares that are not permitted under the Controlling Documents.
3. Upon exercise of my option rights, I may from time to time acquire Shares that will be deposited in my Account.
4. Under the Controlling Documents, the Shares are subject to return to the Issuer under certain circumstances set forth in the Controlling Documents until a date set forth in the Controlling Documents (the "Restrictions Lapse Date").
5. With respect to Shares I hereby instruct the Service Provider to restrict my ability to sell, exchange, transfer, pledge or otherwise enter into transactions with respect to the Shares prior to the Restrictions Lapse Date.
6. The Service Provider may follow any instructions or orders with respect to the Shares given by the Issuer or by a person designated by the Issuer to act on behalf of the Issuer with respect to the Shares (an "Authorized Person"), or a person the Service Provider reasonably believes to be an Authorized Person, including without limitation any instructions regarding the Restrictions Lapse Date and the cancellation, surrender or other transfer of the Shares to the Issuer ("Issuer Instructions").

7. The Service Provider shall be under no obligation to verify the validity of any Issuer Instructions under the Controlling Documents or Issuer's authority to give any Issuer Instructions.
8. This letter does not create any obligation of the Service Provider except for those expressly set forth herein. The Service Provider shall have no liability to me for any act or omission by the Service Provider or any of its employees or representatives, taken or omitted in accordance with such Issuer Instructions. In particular, the Service Provider need not investigate whether the Issuer is entitled under the Controlling Documents to give Issuer Instructions.
9. I agree to indemnify, defend, and hold harmless the Service Provider, its affiliates, and their respective successors, officers, directors, employees and assigns, from and against any and all actions, causes of action, claims, demands, costs, liabilities, expenses (including attorneys' fees and disbursements) and damages arising out of or in connection with any act or omission of the Service Provider taken in good faith in reliance on the instructions set forth herein or any instruction from me or any Authorized Person.
10. The Service Provider may provide information to the Issuer or any Authorized Person with respect to the Account and the Shares.
11. These instructions shall continue in effect with respect to Shares until the earlier to occur of (a) the Restrictions Lapse Date or (b) receipt by the Service Provider of written notice by an Authorized Person instructing the Service Provider to accelerate the Restrictions Lapse Date.
12. The Service Provider may cease to follow the instructions and undertaking set forth in this letter by delivering thirty days prior written notice (a) to me and (b) to the Issuer or an Authorized Person.

Sincerely,

<<Name>>
Account Owner

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Section 3: EX-10.3 (FORM OF TIME-VESTING RSU AGREEMENT)

Exhibit 10.3



**CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN**

**FORM OF
TIME-VESTING RESTRICTED STOCK AWARD AGREEMENT
FOR CHIEF EXECUTIVE OFFICER
DATED <<GRANT DATE>>**

<<NAME>>

Pursuant to the terms and conditions of the Celanese Corporation 2009 Global Incentive Plan, you have been awarded shares of Time-Vesting Restricted Stock, subject to the restrictions described in this Agreement:

Restricted Stock Award

<<# Shares>> **Common Shares**

This grant is made pursuant to the Time-Vesting Restricted Stock Award Agreement dated as of <<Grant Date>>, between Celanese and you, which Agreement is attached hereto and made a part hereof.

**CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN**

TIME-VESTING RESTRICTED STOCK AWARD AGREEMENT

This Time-Vesting Restricted Stock Award Agreement (the "Agreement") is made and entered into as of <<Grant Date>> (the "Grant Date"), by and between Celanese Corporation, a Delaware corporation (the "Company"), and <<NAME>> (the "Participant"). Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Celanese Corporation 2009 Global Incentive Plan (as amended from time to time, the "2009 Plan").

1. **Time-Vesting Restricted Stock Award:** In order to encourage Participant's contribution to the successful performance of the Company, the Company hereby grants to Participant as of the Grant Date, pursuant to the terms of the 2009 Plan and this Agreement, an award (the "Award") of <<# Shares>> Common Shares subject to the time-vesting, hold and other requirements set forth herein (the "Restricted Shares"). Until they become vested, certificates evidencing the Restricted Shares shall be held by the Company. While the Restricted Shares are held by the Company, and until satisfaction of the hold requirement specified in Section 3, the Participant shall not have the right to sell or otherwise dispose of such Restricted Shares or any interest therein. Restricted Shares that become vested as provided herein shall be released by the Company to the Participant as soon as practicable after vesting (no later than 2-1/2 months after vesting). The Participant hereby acknowledges and accepts such Award upon the terms and subject to the conditions, restrictions and limitations contained in this Agreement and the 2009 Plan.

2. **Time-Based Vesting:** Subject to Section 4 and Section 6 of this Agreement, <<# Shares>> Restricted Shares shall vest on <<Vesting Date>>; <<# Shares>> Restricted Shares shall vest on <<Vesting Date>>; and <<# Shares>> Restricted Shares shall vest on <<Vesting Date>>. Each such date shall be referred to as a "Vesting Date". Each period between the Grant Date and a Vesting Date shall be referred to as a "Vesting Period".

3. **Retention Requirement:** The Participant shall be required to retain any vested Restricted Shares released by the Company after vesting, after provision for applicable taxes, until such time as the Participant has fully satisfied any stock ownership requirements under the stock ownership guidelines of the Company applicable to the Participant.

4. **Effects of Certain Events Prior to Vesting:**

(a) Upon the termination of the Participant's employment by the Company without Cause or by the Participant for Retirement or due to the Participant's death or Disability, a prorated portion of the Restricted Shares that remain unvested will vest on the original vesting date(s) following such termination of employment in an amount equal to (i) the unvested Restricted Shares in each Vesting Period multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination without Cause or Retirement or due to the Participant's death or Disability, and the denominator of which is the number of complete and partial calendar months in each applicable Vesting Period, such product to be rounded up to the nearest whole number. The remaining portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(b) Upon the termination of the Participant's employment for any other reason, the

unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(c) The Participant acknowledges and agrees that upon termination of employment with the Company resulting in the forfeiture and cancellation of any unvested Restricted Shares in accordance with this Section 4 or as otherwise provided by this Agreement or the 2009 Plan, (i) the Participant's right to vote and to receive cash dividends on, and all other rights, title or interest in, to or with respect to, unvested Restricted Shares shall automatically, without further act, terminate and (ii) the unvested Restricted Shares shall be returned to the Company. The Participant hereby irrevocably appoints (which appointment is coupled with an interest) the Company as the Participant's agent and attorney-in-fact to take any necessary or appropriate action to cause the Restricted Shares to be returned to the Company, including without limitation executing and delivering stock powers and instruments of transfer, making endorsements and/or making, initiating or issuing instructions or entitlement orders, all in the Participant's name and on the Participant's behalf. The Participant hereby ratifies and approves all acts done by the Company as such attorney-in-fact. Without limiting the foregoing, the Participant expressly acknowledges and agrees that any transfer agent for the Common Shares is fully authorized and protected in relying on, and shall incur no liability in acting on, any documents, instruments, endorsements, instructions, orders or communications from the Company in connection with the Restricted Shares or the transfer thereof, and that any such transfer agent is a third party beneficiary of this Agreement.

5. **Rights as a Stockholder:** The Participant shall have the right to vote Restricted Shares while they are held by the Company prior to vesting. Any cash dividends with respect to the Restricted Shares will be accumulated and paid in cash if and when the Restricted Shares are vested. No interest is credited on the accrued dividends prior to payment.

6. **Change in Control; Dissolution:**

(a) Notwithstanding any other provision of this Agreement to the contrary, upon the occurrence of a Change in Control,

(1) If (A) a Participant's rights to the unvested portion of the Award are not adversely affected in connection with the Change in Control, or, if adversely affected, a substitute award with an equivalent (or greater) economic value and no less favorable vesting conditions is granted to the Participant upon the occurrence of a Change in Control, and (B) the Participant's employment is terminated by the Company (or its successor) without Cause within two years following the Change in Control, then the unvested portion of the Award (or, as applicable, the substitute award) shall immediately vest.

(2) If a Participant's right to the unvested portion of the Award is adversely affected in connection with the Change in Control and a substitute award is not made pursuant to Section 6(a) above, then upon the occurrence of a Change in Control, the unvested portion of the Award shall immediately vest.

(b) Notwithstanding any other provision of this Agreement to the contrary, in the event of a corporate dissolution of the Company, this Agreement shall terminate and any unvested Restricted Shares shall immediately vest.

7. **Income and Other Taxes:** The Company shall not release any Restricted Shares upon vesting unless and until the Participant has made arrangements satisfactory to the Committee to satisfy

applicable withholding tax obligations for US federal, state, and local income taxes (or the foreign counterpart thereof) and applicable employment taxes. Unless otherwise permitted by the Committee, withholding shall be effected at the minimum statutory rates by withholding Restricted Shares in connection with their vesting. The Participant acknowledges that the Company shall have the right to deduct any taxes required to be withheld by law in connection with the vesting of Restricted Shares from any amounts payable by it to the Participant (including, without limitation, future cash wages). The Participant acknowledges and agrees that amounts withheld by the Company for taxes may be less than amounts actually owed for taxes by the Participant in respect of the Award.

8. **Securities Laws:** The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Common Shares issued as a result of the Award, including without limitation (a) restrictions under an insider trading policy, and (b) restrictions as to the use of a specified brokerage firm for such resales or other transfers. Upon the release of any Common Shares pursuant to the vesting of the Restricted Shares, the Participant will make or enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement and the 2009 Plan. All accounts in which such Common Shares are held or any certificates for Common Shares shall be subject to such stop transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange or quotation system upon which the Common Shares are then listed or quoted, and any applicable federal or state securities law, and the Company may cause a legend or legends to be put on any such certificates (or other appropriate restrictions and/or notations to be associated with any accounts in which such Common Shares are held) to make appropriate reference to such restrictions.

9. **Non-Transferability of Award:** Prior to vesting and subject to the further retention requirements set forth in Section 3 above, the Restricted Shares may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company; provided, that the Participant may designate a beneficiary, on a form provided by the Company, to receive any portion of the Award payable hereunder following the Participant's death.

10. **Other Agreements:** Subject to Sections 10(a) and 10(b) of this Agreement, this Agreement and the 2009 Plan constitute the entire understanding between the Participant and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the Award are superseded.

(a) The Participant acknowledges that as a condition to the receipt of the Award, the Participant:

- (1) shall have delivered to the Company an executed copy of this Agreement;
- (2) shall be subject to the Company's stock ownership guidelines;
- (3) shall be subject to policies and agreements adopted by the Company from time to time, and applicable laws and regulations, requiring the repayment by the Participant of incentive compensation under certain circumstances, without any further act or deed or consent of the Participant; and
- (4) shall have delivered to the Company an executed copy of the Long-Term

Incentive Claw-Back Agreement (if a current version of such Long-Term Incentive Claw-Back Agreement is not already on file, as determined by the Committee in its sole discretion). For purposes hereof, "Long-Term Incentive Claw-Back Agreement" means an agreement between the Company and the Participant associated with the grant of long-term incentives of the Company, which contains terms, conditions, restrictions and provisions regarding one or more of (i) noncompetition by the Participant with the Company, and its customers and clients; (ii) nonsolicitation and non-hiring by the Participant of the Company's employees, former employees or consultants; (iii) maintenance of confidentiality of the Company's and/or clients' information, including intellectual property; (iv) nondisparagement of the Company; and (v) such other matters deemed necessary, desirable or appropriate by the Company for such an agreement in view of the rights and benefits conveyed in connection with an award.

(b) If the Participant is a non-resident of the U.S., there may be an addendum containing special terms and conditions applicable to awards in the Participant's country. The issuance of the Award to any such Participant is contingent upon the Participant executing and returning any such addendum in the manner directed by the Company.

11. **Not a Contract for Employment; No Acquired Rights; Agreement Changes**: Nothing in the 2009 Plan, this Agreement or any other instrument executed in connection with the Award shall confer upon the Participant any right to continue in the Company's employ or service nor limit in any way the Company's right to terminate the Participant's employment at any time for any reason. The grant of Restricted Shares hereunder, and any future grant of awards to the Participant under the 2009 Plan, is entirely voluntary and at the complete and sole discretion of the Company. Neither the grant of these Restricted Shares nor any future grant of awards by the Company shall be deemed to create any obligation to grant any further awards, whether or not such a reservation is expressly stated at the time of such grants. The Company has the right, at any time and for any reason, to amend, suspend or terminate the 2009 Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Participant's rights hereunder.

12. **Severability**: In the event that any provision of this Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of this Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

13. **Further Assurances**: Each party shall cooperate and take such action as may be reasonably requested by either party hereto in order to carry out the provisions and purposes of this Agreement.

14. **Binding Effect**: The Award and this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

15. **Electronic Delivery**: By executing this Agreement, the Participant hereby consents to the delivery of any and all information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws), in whole or in part, regarding the Company and its subsidiaries, the 2009 Plan, and the Award via electronic mail, the Company's or a plan administrator's web site, or other means of electronic delivery.

16. **Personal Data**: By accepting the Award under this Agreement, the Participant hereby consents to the Company's use, dissemination and disclosure of any information pertaining to the Participant that the Company determines to be necessary or desirable for the implementation,

administration and management of the 2009 Plan.

17. **Governing Law**: The Award and this Agreement shall be interpreted and construed in accordance with the laws of the state of Delaware and applicable federal law.

18. **Restricted Shares Subject to Plan**: By entering into this Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the 2009 Plan and the 2009 Plan's prospectus. The Restricted Shares are subject to the 2009 Plan, which is hereby incorporated by reference. In the event of any conflict between any term or provision of this Agreement and a term or provision of the 2009 Plan, the applicable terms and provisions of the 2009 Plan shall govern and prevail.

19. **Validity of Agreement**: This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the Restricted Shares granted pursuant to this Agreement shall be forfeited by the Participant and this Agreement shall have no force and effect if it is not duly executed by the Participant and delivered to the Company on or before <<Validity Date>>.

20. **Headings**: The headings preceding the text of the sections hereof are inserted solely for convenience of reference, and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

21. **Compliance with Section 409A of the Internal Revenue Code**: Notwithstanding any provision in this Agreement to the contrary, this Agreement will be interpreted and applied so that the Agreement does not fail to meet, and is operated in accordance with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. The Company reserves the right to change the terms of this Agreement and the 2009 Plan without the Participant's consent to the extent necessary or desirable to comply with the requirements of Internal Revenue Code Section 409A, the Treasury regulations and other guidance thereunder.

22. **Definitions**: The following terms shall have the following meanings for purposes of this Agreement, notwithstanding any contrary definition in the 2009 Plan:

(a) "Cause" means (i) the Participant's willful failure to perform the Participant's duties to the Company (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 30 days following written notice by the Company to Participant of such failure, (ii) conviction of, or a plea of nolo contendere to, (x) a felony under the laws of the United States or any state thereof or any similar criminal act in a jurisdiction outside the United States or (y) a crime involving moral turpitude, (iii) the Participant's willful malfeasance or willful misconduct which is demonstrably injurious to the Company or its affiliates, (iv) any act of fraud by the Participant, (v) any material violation of the Company's business conduct policy, (vi) any material violation of the Company's policies concerning harassment or discrimination, (vii) the Participant's conduct that causes material harm to the business reputation of the Company or its affiliates, or (viii) the Participant's breach of any confidentiality, intellectual property, non-competition or non-solicitation provisions applicable to the Participant under the Long-Term Incentive Claw-Back Agreement or any other agreement between the Participant and the Company.

(b) "Change in Control" of the Company shall mean, in accordance with Treasury Regulation Section 1.409A-3(i)(5), any of the following:

(i) any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or

group, constitutes more than 50% of the total voting power of the stock of the Company; or

(ii) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iii) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to 50% or more of all of the assets of the Company immediately prior to such acquisition or acquisitions.

(c) “*Disability*” has the same meaning as “Disability” in the Celanese Corporation 2008 Deferred Compensation Plan or such other meaning as determined by the Committee in its sole discretion, provided that in all events a “Disability” under this Agreement shall constitute a “disability” within the meaning of Treasury Regulation Section 1.409A-3(i)(4).

(d) “*Retirement*” of the Participant shall mean a separation from service on or after the date when the Participant is both 65 years of age and has five years of service with the Company (excluding periods of service as a non-employee director), other than a separation from service for Cause.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Participant has also executed this Agreement in duplicate.

CELANESE CORPORATION

By: _____
<<Name, Title>>

This Agreement has been accepted and agreed to by the undersigned Participant.

PARTICIPANT

By: _____

Name: <<Name>>
Employee ID: <<Personnel Number>>

Date: _____

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Section 4: EX-10.4 (FORM OF PERFORMANCE-VESTING RSU AGREEMENT)

Exhibit 10.4



**CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN**

**FORM OF
PERFORMANCE-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR CHIEF EXECUTIVE OFFICER
DATED <<GRANT DATE>>**

<<NAME>>

Pursuant to the terms and conditions of the Celanese Corporation 2009 Global Incentive Plan, you have been awarded Performance-Vesting Restricted Stock Units, subject to the restrictions described in this Agreement:

Performance RSU Target Award

<<#Target Units>> Units

This grant is made pursuant to the Performance-Vesting Restricted Stock Unit Award Agreement dated as of <<Grant Date>>, between Celanese and you, which Agreement is attached hereto and made a part hereof.

**CELANESE CORPORATION
2009 GLOBAL INCENTIVE PLAN**

PERFORMANCE-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT

This Performance-Vesting Restricted Stock Unit Award Agreement (the "Agreement") is made and entered into as of <<Grant Date>> (the "Grant Date"), by and between Celanese Corporation, a Delaware corporation (the "Company"), and <<NAME>> (the "Participant"). Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Celanese Corporation 2009 Global Incentive Plan (as amended from time to time, the "2009 Plan").

1. **Performance RSU Award:** In order to encourage Participant's contribution to the successful performance of the Company, the Company hereby grants to Participant as of the Grant Date, pursuant to the terms of the 2009 Plan and this Agreement, an award (the "Award") of <<# Units>> performance-vesting Restricted Stock Units ("Performance RSUs") representing the right to receive, subject to the attainment of the performance goals set forth in Appendix A, the number of Common Shares to be determined in accordance with the formula set forth in Appendix A. The Participant hereby acknowledges and accepts such Award upon the terms and subject to the performance requirements and other conditions, restrictions and limitations contained in this Agreement and the 2009 Plan.
2. **Performance-Based Vesting:** Subject to Section 4 and Section 7 of this Agreement, Performance RSUs in an aggregate amount to be determined in accordance with the performance measures, targets and methodology set forth in Appendix A shall vest on <<Vesting Date>> (or the first preceding trading day if the New York Stock Exchange is not open for trading on such date) (the "Vesting Date").
3. **Holding Period Requirement:** On the Vesting Date, a proportion of the Performance RSUs scheduled to vest on such date, <<Transferable Percent>> ("Transferable RSUs"), will be settled in accordance with the provisions of Section 5(a), subject to any applicable taxes under Section 8 upon such vesting. The remaining Performance RSUs scheduled to vest on such date, <<Hold Percent>> ("Holding Period RSUs"), will be subject to any applicable taxes under Section 8 upon such vesting, and will be non-transferable and subject to a holding period requirement with the effect that the Holding Period RSUs, net of any RSUs withheld for taxes under Section 8, shall be settled under Section 5(b) upon the earliest of (a) the seventh anniversary of the Grant Date, (b) the Participant's death or Disability, or (c) the occurrence of a Change in Control (the "Delivery Date"), subject to any applicable taxes under Section 8 upon the Delivery Date; provided, however, that in the event of a termination for Cause prior to the Delivery Date, the Holding Period RSUs (if any) shall be immediately forfeited and cancelled without consideration as of such date.
4. **Effects of Certain Events:**
 - (a) Upon the termination of the Participant's employment by the Company without Cause or by the Participant for Retirement prior to the Vesting Date, a prorated number of Performance RSUs in an amount equal to (i) the Target number of Performance RSUs granted hereby multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination or Retirement, and the denominator of which is the number of complete and partial calendar months between the Grant Date and the Vesting Date, such product to be rounded up to the nearest whole number, shall vest on the Vesting Date, subject to adjustment for the achievement of the performance goals outlined

herein and as applied to all other Participants; provided, however, that (1) the portion of such prorated, performance-adjusted Performance RSUs that are Transferable RSUs will be settled in accordance with the provisions of Section 5(a), subject to any applicable taxes under Section 8 upon such vesting and settlement, and (2) the remaining portion of such prorated, performance-adjusted Performance RSUs, Holding Period RSUs, will be subject to any applicable taxes under Section 8 upon such vesting, and will be non-transferable and subject to a holding period requirement as provided in Section 3, with the effect that such adjusted prorated, performance-adjusted Performance RSUs shall be treated as Holding Period RSUs, and shall be settled under Section 5(b), subject to applicable taxes under Section 8 upon such settlement. The remaining portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(b) Upon the termination of the Participant's employment due to the Participant's death or Disability prior to the Vesting Date, a prorated number of Performance RSUs will vest in an amount equal to (i) the Target number of Performance RSUs granted hereby multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of death or Disability, and the denominator of which is the number of complete and partial calendar months between the Grant Date and the Vesting Date, such product to be rounded up to the nearest whole number. The prorated number of Performance RSUs shall immediately vest and a number of Common Shares equal to such prorated number of Performance RSUs shall be delivered to the Participant or beneficiary within thirty (30) days following the date of termination, subject to the provisions of Section 8. The remaining portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment for death or Disability.

(c) Upon the termination of a Participant's employment with the Company for any other reason prior to the Vesting Date, the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(d) Upon the termination of a Participant's employment with the Company for any reason on or after the Vesting Date and before the Delivery Date, any Holding Period RSUs shall remain subject to the provisions of this Agreement until the applicable Delivery Date, except that in the event of a termination for Cause, in which case the Holding Period RSUs (if any) shall be immediately forfeited and cancelled without consideration as of such date.

5. **Settlement of Performance RSUs:**

(a) Subject to Sections 3, 4, 7 and 8 of this Agreement, the Company shall deliver to the Participant (or to a Company-designated brokerage firm or plan administrator) as soon as administratively practicable following the Vesting Date (but in no event later than 2 ½ months after the Vesting Date), in complete settlement of all Transferable RSUs vesting on the Vesting Date, a number of Common Shares equal to the number of all Transferable RSUs that are vested Performance RSUs determined in accordance with this Agreement.

(b) Subject to Sections 3, 4, 7 and 8 of this Agreement, the Company shall deliver to the Participant (or to a Company-designated brokerage firm or plan administrator) as soon as administratively practicable following the applicable Delivery Date (but in no event later than 2 ½ months after the applicable Delivery Date), in complete settlement of all Holding Period RSUs to be settled on such Delivery Date, a number of Common Shares equal to the number of Holding Period RSUs to be settled on such Delivery Date.

6. **Rights as a Stockholder:** The Participant shall have no voting, dividend or other rights

as a stockholder with respect to the Award until the Performance RSUs have vested, any applicable holding period has expired and Common Shares have been delivered pursuant to this Agreement; provided, however, that for Holding Period RSUs from and after the Vesting Date, if a cash dividend is paid with respect to Common Shares, a cash dividend equivalent equal to the total cash dividend the Participant would have received had the Holding Period RSUs been converted to actual Common Shares will be accumulated and paid in cash when the Holding Period RSUs are settled on the applicable Delivery Date in accordance with Section 5(b), subject to the requirements of Section 8. No interest is credited on the accrued dividend equivalents prior to payment.

7. **Change in Control; Dissolution:**

(a) Notwithstanding any other provision of this Agreement to the contrary, upon the occurrence of a Change in Control, (1) with respect to any unvested Performance RSUs granted pursuant to this Agreement that have not previously been forfeited:

(i) If (i) a Participant's rights to the unvested portion of the Award are not adversely affected in connection with the Change in Control, or, if adversely affected, a substitute award with an equivalent (or greater) economic value and no less favorable vesting conditions is granted to the Participant upon the occurrence of a Change in Control, and (ii) the Participant's employment is terminated by the Company (or its successor) without Cause within two years following the Change in Control, then Performance RSUs in an amount equal to the Target number of Performance RSUs granted hereby (or, as applicable, the substitute award) shall immediately vest and a number of Common Shares equal to the number of such Target Performance RSUs shall be delivered to the Participant within thirty (30) days following the date of termination, subject to the provisions of Section 8.

(ii) If a Participant's right to the unvested portion of the Award is adversely affected in connection with the Change in Control and a substitute award is not made pursuant to Section 7(a)(i) above, then upon the occurrence of a Change in Control, the Target number of Performance RSUs granted hereby shall immediately vest and a number of Common Shares equal to the number of such Target Performance RSUs shall be delivered to the Participant within thirty (30) days following the occurrence of the Change in Control, subject to the provisions of Section 8.

and (2) with respect to any Holding Period RSUs that have not previously been delivered pursuant to this Agreement, the holding period with respect to such Holding Period RSUs shall terminate, and a number of Common Shares equal to the number of Holding Period RSUs then outstanding shall be delivered to the Participant, subject to the provisions of Section 8.

(b) Notwithstanding any other provision of this Agreement to the contrary, in the event of a corporate dissolution of the Company that is taxed under Section 331 of the Internal Revenue Code of 1986, as amended, then in accordance with Treasury Regulation Section 1.409A-3(j)(4)(ix)(A), this Agreement shall terminate and any Performance RSUs granted pursuant to this Agreement that have not previously been forfeited shall immediately become Common Shares and shall be delivered to the Participant within thirty (30) days following such dissolution.

8. **Income and Other Taxes:** The Company shall not deliver Common Shares in respect of any Performance RSUs unless and until the Participant has made arrangements satisfactory to the Committee to satisfy applicable withholding tax obligations for US federal, state, and local income taxes (or the foreign counterpart thereof) and applicable employment taxes. Taxes due upon the vesting of

Holding Period RSUs may be satisfied out of vesting Transferable RSUs, at the option of the Company. Unless otherwise permitted by the Committee, withholding shall be effected at the minimum statutory rates by withholding RSUs in connection with the vesting and/or settlement of Performance RSUs. The Participant acknowledges that the Company shall have the right to deduct any taxes required to be withheld by law in connection with the vesting or delivery of Common Shares in respect of any Performance RSUs from any amounts payable by it to the Participant (including, without limitation, future cash wages). The Participant acknowledges and agrees that amounts withheld by the Company for taxes may be less than amounts actually owed for taxes by the Participant in respect of the Award. Any vested Performance RSUs shall be reflected in the Company's records as issued on the respective dates of issuance set forth in this Agreement, irrespective of whether delivery of such Common Shares is pending the Participant's satisfaction of his or her withholding tax obligations.

9. **Securities Laws:** The Company may impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Common Shares issued as a result of the vesting or settlement of the Performance RSUs, including without limitation (a) restrictions under an insider trading policy, and (b) restrictions as to the use of a specified brokerage firm for such resales or other transfers. Upon the acquisition of any Common Shares pursuant to the vesting or settlement of the Performance RSUs, the Participant will make or enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement and the 2009 Plan. All accounts in which such Common Shares are held or any certificates for Common Shares shall be subject to such stop transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange or quotation system upon which the Common Shares are then listed or quoted, and any applicable federal or state securities law, and the Company may cause a legend or legends to be put on any such certificates (or other appropriate restrictions and/or notations to be associated with any accounts in which such Common Shares are held) to make appropriate reference to such restrictions.

10. **Non-Transferability of Award:** The Performance RSUs, including Holding Period RSUs, may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company; provided, that the Participant may designate a beneficiary, on a form provided by the Company, to receive any portion of the Award payable hereunder following the Participant's death.

11. **Other Agreements:** Subject to Sections 11(a) and 11(b) of this Agreement, this Agreement and the 2009 Plan constitute the entire understanding between the Participant and the Company regarding the Award, and any prior agreements, commitments or negotiations concerning the Award are superseded.

(a) The Participant acknowledges that as a condition to the receipt of the Award, the Participant:

(1) shall have delivered to the Company an executed copy of this Agreement;

(2) shall be subject to the Company's stock ownership guidelines;

(3) shall be subject to policies and agreements adopted by the Company from time to time, and applicable laws and regulations, requiring the repayment by the Participant of incentive compensation under certain circumstances, without any further

act or deed or consent of the Participant; and

(4) shall have delivered to the Company an executed copy of the Long-Term Incentive Claw-Back Agreement (if a current version of such Long-Term Incentive Claw-Back Agreement is not already on file, as determined by the Committee in its sole discretion). For purposes hereof, "Long-Term Incentive Claw-Back Agreement" means an agreement between the Company and the Participant associated with the grant of long-term incentives of the Company, which contains terms, conditions, restrictions and provisions regarding one or more of (i) noncompetition by the Participant with the Company, and its customers and clients; (ii) nonsolicitation and non-hiring by the Participant of the Company's employees, former employees or consultants; (iii) maintenance of confidentiality of the Company's and/or clients' information, including intellectual property; (iv) nondisparagement of the Company; and (v) such other matters deemed necessary, desirable or appropriate by the Company for such an agreement in view of the rights and benefits conveyed in connection with an award.

(b) If the Participant is a non-resident of the U.S., there may be an addendum containing special terms and conditions applicable to awards in the Participant's country. The issuance of the Award to any such Participant is contingent upon the Participant executing and returning any such addendum in the manner directed by the Company.

12. **Not a Contract for Employment; No Acquired Rights; Agreement Changes:** Nothing in the 2009 Plan, this Agreement or any other instrument executed in connection with the Award shall confer upon the Participant any right to continue in the Company's employ or service nor limit in any way the Company's right to terminate the Participant's employment at any time for any reason. The grant of Performance RSUs hereunder, and any future grant of awards to the Participant under the 2009 Plan, is entirely voluntary and at the complete and sole discretion of the Company. Neither the grant of these Performance RSUs nor any future grant of awards by the Company shall be deemed to create any obligation to grant any further awards, whether or not such a reservation is expressly stated at the time of such grants. The Company has the right, at any time and for any reason, to amend, suspend or terminate the 2009 Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Participant's rights hereunder.

13. **Severability:** In the event that any provision of this Agreement is declared to be illegal, invalid or otherwise unenforceable by a court of competent jurisdiction, such provision shall be reformed, if possible, to the extent necessary to render it legal, valid and enforceable, or otherwise deleted, and the remainder of this Agreement shall not be affected except to the extent necessary to reform or delete such illegal, invalid or unenforceable provision.

14. **Further Assurances:** Each party shall cooperate and take such action as may be reasonably requested by either party hereto in order to carry out the provisions and purposes of this Agreement.

15. **Binding Effect:** The Award and this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, beneficiaries, successors and assigns.

16. **Electronic Delivery:** By executing this Agreement, the Participant hereby consents to the delivery of any and all information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws), in whole or in part, regarding the Company and its subsidiaries, the 2009 Plan, and the Award via electronic mail, the Company's or a plan administrator's web site, or other means of electronic delivery.

17. **Personal Data:** By accepting the Award under this Agreement, the Participant hereby consents to the Company's use, dissemination and disclosure of any information pertaining to the Participant that the Company determines to be necessary or desirable for the implementation, administration and management of the 2009 Plan.
18. **Governing Law:** The Award and this Agreement shall be interpreted and construed in accordance with the laws of the state of Delaware and applicable federal law.
19. **Performance RSUs Subject to Plan:** By entering into this Agreement the Participant agrees and acknowledges that the Participant has received and read a copy of the 2009 Plan and the 2009 Plan's prospectus. The Performance RSUs and the Common Shares issued upon vesting of such Performance RSUs are subject to the 2009 Plan, which is hereby incorporated by reference. In the event of any conflict between any term or provision of this Agreement and a term or provision of the 2009 Plan, the applicable terms and provisions of the 2009 Plan shall govern and prevail.
20. **Validity of Agreement:** This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the Performance RSUs granted pursuant to this Agreement shall be forfeited by the Participant and this Agreement shall have no force and effect if it is not duly executed by the Participant and delivered to the Company on or before <<Validity Date>>.
21. **Headings:** The headings preceding the text of the sections hereof are inserted solely for convenience of reference, and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.
22. **Compliance with Section 409A of the Internal Revenue Code:** Notwithstanding any provision in this Agreement to the contrary, this Agreement will be interpreted and applied so that the Agreement does not fail to meet, and is operated in accordance with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. The Company reserves the right to change the terms of this Agreement and the 2009 Plan without the Participant's consent to the extent necessary or desirable to comply with the requirements of Internal Revenue Code Section 409A, the Treasury regulations and other guidance thereunder. Further, in accordance with the restrictions provided by Treasury Regulation Section 1.409A-3(j)(2), any subsequent amendments to this Agreement or any other agreement, or the entering into or termination of any other agreement, affecting the Performance RSUs provided by this Agreement shall not modify the time or form of issuance of the Performance RSUs set forth in this Agreement. In addition, if the Participant is a "specified employee" within the meaning of Section 409A, as determined by the Company, any payment made in connection with the Participant's separation from service shall not be made earlier than six (6) months and one day after the date of such separation from service to the extent required by Section 409A.
23. **Definitions:** The following terms shall have the following meanings for purposes of this Agreement, notwithstanding any contrary definition in the 2009 Plan:
- (a) "Cause" means (i) the Participant's willful failure to perform the Participant's duties to the Company (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 30 days following written notice by the Company to Participant of such failure, (ii) conviction of, or a plea of nolo contendere to, (x) a felony under the laws of the United States or any state thereof or any similar criminal act in a jurisdiction outside the United States or (y) a crime involving moral turpitude, (iii) the Participant's willful malfeasance or willful misconduct which is demonstrably injurious to the Company or its affiliates, (iv) any act of fraud by the Participant, (v) any material violation of the Company's business conduct policy, (vi) any material violation of the Company's policies concerning harassment or discrimination, (vii) the Participant's conduct that causes material harm to the business reputation of the

Company or its affiliates, or (viii) the Participant's breach of any confidentiality, intellectual property, non-competition or non-solicitation provisions applicable to the Participant under the Long-Term Incentive Claw-Back Agreement or any other agreement between the Participant and the Company.

(b) “*Change in Control*” of the Company shall mean, in accordance with Treasury Regulation Section 1.409A-3(i)(5), any of the following:

(i) any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total voting power of the stock of the Company; or

(ii) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iii) any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross fair market value equal to 50% or more of all of the assets of the Company immediately prior to such acquisition or acquisitions.

(c) “*Disability*” has the same meaning as “*Disability*” in the Celanese Corporation 2008 Deferred Compensation Plan or such other meaning as determined by the Committee in its sole discretion, provided that in all events a “*Disability*” under this Agreement shall constitute a “*disability*” within the meaning of Treasury Regulation Section 1.409A-3(i)(4).

(d) “*Operating EBITDA*” means a measure used by the Company's management to measure performance and is defined as net earnings less interest income plus loss (earnings) from discontinued operations, interest expense, taxes, and depreciation and amortization, and further adjusted for other charges and other adjustments as determined by the Company (consistent with the provisions of Section 13(b) of the 2009 Plan to the extent applicable) and as approved by the Committee.

(e) “*Retirement*” of the Participant shall mean a separation from service on or after the date when the Participant is both 65 years of age and has five years of service with the Company (excluding periods of service as a non-employee director), other than a separation from service for Cause.

(f) “*Total Shareholder Return*” or “*TSR*” means the change in the price of the Common Shares, including dividends (as if reinvested), cumulatively over the period October 1, 2011 through October 31, 2014 (the “*TSR Performance Period*”), as determined in good faith and in the sole discretion of the Committee. Total Shareholder Return for the Company and the Peer Group shall be calculated using the average of the last reported sales price per share of voting common stock on the New York Stock Exchange Composite Transactions (or such other comparable securities exchange or trading market as the common stock of the Company or the applicable Peer Group company shall then be traded) for the last twenty (20) trading days preceding October 1, 2011, and for the last twenty (20) trading days preceding October 31, 2014.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Participant has also executed this Agreement in duplicate.

CELANESE CORPORATION

By: _____
<<Name, Title>>

This Agreement has been accepted and agreed to by the undersigned Participant.

PARTICIPANT

By: _____

Name: <<Name>>

Employee ID: <<Personnel Number>>

Date: _____

APPENDIX A

CALCULATION OF THE PERFORMANCE-BASED VESTING

Name of Participant:	<<NAME>>		
Grant Date:	<<Grant Date>>		
Performance RSUs subject to the Award:	Threshold ⁽¹⁾	Target	Maximum
	<Threshold Units>	<Target Units>	<Max Units>

⁽¹⁾ No Performance RSUs will be earned if Operating EBITDA performance results achieved are below Threshold.

Performance-Based Vesting Calculation

The percentage of Performance RSUs that may vest on November 1, 2014 is subject to the achievement of specified levels of (i) the Company's Operating EBITDA during its 2012 and 2013 fiscal years and (ii) the Company's Total Shareholder Return as compared with peer companies during the TSR Performance Period, where the potential performance-based vesting outcomes are summarized as follows:

Table 1 - Potential Performance-Based Vesting Outcomes:

		Relative TSR		
		Below Threshold	Target	Stretch
Operating EBITDA	Below Threshold	0%	0%	0%
	Threshold	25%	50%	75%
	Target	50%	100%	150%
	Stretch	75%	150%	225%

A. Calculating the Award Adjustment based on the Operating EBITDA Results Achieved

The following table outlines the respective measurement periods, weightings and performance goals/ranges for the Operating EBITDA performance measure.

Table 2 - Operating EBITDA Performance Goals and Payout Range:

Measurement Period	Period Weight	Operating EBITDA Performance Goal / Range (Millions)			Operating EBITDA Performance Percentage Range ⁽¹⁾		
		Threshold	Target	Stretch	Threshold	Target	Stretch
1/1/2012 to 12/31/2012	40%				20%	40%	60%
1/1/2013 to 12/31/2013	40%				20%	40%	60%
1/1/2012 to 12/31/2013	20%				10%	20%	30%
	100%				50%	100%	150%

⁽¹⁾ No Operating EBITDA performance percentage will be earned (0%) for any particular measurement period if the actual performance results achieved are below threshold for such respective measurement period.

The Participant's Performance RSU Target Award will be adjusted (up or down) based on the Company's absolute achievement of the Operating EBITDA performance goals as follows:

1. The Operating EBITDA performance percentage for each measurement period shall be calculated by straight-line interpolation for results achieved between Threshold and Target, or for results achieved between Target and Stretch;
2. For each measurement period, the result of step 1 (a percentage) shall be multiplied by the Target number of Performance RSUs;
3. The results of step 2 for each measurement period shall be added together to determine the total number of Operating EBITDA adjusted RSUs ("Adjusted RSUs").

A. Calculating the Award Adjustment based on the Relative TSR Results Achieved

Relative TSR performance will be calculated after the end of the TSR Performance Period. The resulting calculation will increase or decrease the number of Adjusted RSUs by a percentage between 50% and 150%.

Table 3 - TSR Performance Goals and Payout Range:

	TSR Performance Percentile	TSR Payout Level
Threshold	20th or below	50%
Target	50th	100%
Stretch	80th or above	150%

The Participant's Adjusted RSUs will be further adjusted based on Relative TSR as follows:

1. Calculate Total Shareholder Return for each company in the Peer Group (as set forth on Appendix B) for the TSR Performance Period and rank such companies from lowest to highest as measured by TSR.
2. Determine the Threshold, Target and Stretch Performance Levels for the Peer Group (excluding the Company) using a rank-based methodology as follows:

N = the number of companies that remain in the Peer Group on October 31, 2014

Threshold Performance Level = .2 (N+1)

Target Performance Level = .5 (N+1)

Stretch Performance Level = .8 (N+1)

If any Performance Level does not correspond exactly to a company in the Peer Group ranking, then the company that corresponds most closely to the specific performance level (whether higher or lower) shall represent such Performance Level.

3. Determine the Company's rank against the Peer Group TSR performance results:

- a. if the Company's TSR performance achieved is between Threshold and Target:

$$X\% = (100\% - 50\%) / (\text{the number of companies ranked between Threshold Performance Level and Target Performance Level including the Company})$$

Add X% to 50% (the Threshold TSR Payout Level) for each position the Company is ranked above the Threshold Performance Level.

- b. if the Company's TSR performance achieved is between Target and Stretch:

$$X\% = (150\% - 100\%) / (\text{the number of companies ranked between Target Performance Level and Stretch Performance Level including the Company})$$

Add X% to 100% (the Target TSR Payout Level) for each position the Company is ranked above Target Performance Level.

4. Multiply the percentage resulting from step 3 above by the number of Adjusted RSUs to calculate the number of Performance RSUs that shall vest (rounded to the nearest whole unit) and become vested.

APPENDIX B
PEER GROUP COMPANIES

The peer group was established by selecting all of the companies comprising the Dow Jones U.S. Chemicals Index (DJUSCH) as of September 30, 2011 (the "Peer Group"). The companies in the Index on that date, not including Celanese, were:

Table 1 - Peer Group Companies:

	<u>Company</u>	<u>Ticker</u>		<u>Company</u>	<u>Ticker</u>
1	A. Schulman, Inc.	SHLM	18	Huntsman Corporation	HUN
2	Air Products & Chemicals Inc.	APD	19	International Flavors & Fragrances Inc.	IFF
3	Airgas Inc.	ARG	20	LyondellBasell Industries	LYB
4	Albermarle Corp.	ALB	21	Minerals Technologies Inc.	MTX
5	Ashland Inc.	ASH	22	Mosaic Co.	MOS
6	Avery Dennison Corp.	AVY	23	NewMarket Corp.	NEU
7	Cabot Corp.	CBT	24	Olin Corp.	OLN
8	Calgon Carbon Corp.	CCC	25	OM Group Inc.	OMG
9	CF Industries Holdings Inc.	CF	26	PPG Industries Inc.	PPG
10	Chemtura Corp.	CHMT	27	Polypore International Inc.	PPO
11	Cytec Industries Inc.	CYT	28	Praxair Inc.	PX
12	Dow Chemical Co.	DOW	29	Rockwood Holdings Inc.	ROC
13	E. I. DuPont de Nemours & Co.	DD	30	RPM International Inc.	RPM
14	Eastman Chemical Co.	EMN	31	Sensient Technologies Corp.	SXT
15	Ecolab Inc.	ECL	32	Sigma-Aldrich Corp.	SIAL
16	FMC Corp.	FMC	33	Solutia Inc.	SOA
17	H. B. Fuller Co.	FUL	34	W. R. Grace & Co.	GRA

If one or more members of the Peer Group cease to be a publicly traded entity during the TSR Performance Period, then that company will be removed from the Peer Group. No additional companies will be added to the Peer Group (closed group) for purposes of this Award.

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Section 5: EX-10.5 (FORM OF 2012 CHANGE IN CONTROL AGREEMENT)

Exhibit 10.5

FORM OF
2012 CHANGE IN CONTROL AGREEMENT

This CHANGE IN CONTROL AGREEMENT (the "**Agreement**") is entered into on << Date >> (the "**Effective Date**") by and between Celanese Corporation (the "**Company**") and <<NAME>> (the "**Executive**").

The Company considers it essential to foster the continued employment of key management personnel. The Board of Directors of the Company (the "**Board**") believes that it is in the best interests of the Company and its stockholders to assure the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control. The Board believes it is imperative to diminish the inevitable distraction of Executive by virtue of the personal uncertainties and risks created by a pending or threatened Change in Control and to encourage Executive's full attention and dedication to the Company currently and in the event of any threatened or pending Change in Control. The Company also requests, and the Executive desires to give the Company, certain assurances with regard to the protection of Confidential Information and Intellectual Property of the Company and its Affiliates. Therefore, the Company and the Executive have entered into this Agreement.

In consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

1. **Definitions:**

a. "**Affiliate**" shall mean, when used with respect to any person or entity, any other person or entity which controls, is controlled by or is under common control with the specified person or entity. As used in the immediately preceding sentence, the term "control" (with correlative meanings for "controlled by" and "under common control with") shall mean, with respect to any entity, the ownership, directly or indirectly, of fifty percent (50%) or more of the outstanding equity interests in such entity.

b. "**Beneficial Owner**" shall have the meaning given such term in Rule 13d-3 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

c. "**Cause**" shall mean (i) Executive's willful failure to perform Executive's duties hereunder (other than as a result of total or partial incapacity due to physical or mental illness) for a period of thirty (30) days following written notice by the Company to Executive of such failure, (ii) conviction of, or a plea of nolo contendere to, (x) a felony under the laws of the United States or any state thereof or any similar criminal act in a jurisdiction outside the United States or (y) a crime involving moral turpitude, (iii) Executive's willful malfeasance or willful misconduct which is demonstrably injurious to the Company or its Affiliates, (iv) any act of fraud by Executive, (v) any material violation of the Company's code of conduct, (vi) any

material violation of the Company's policies concerning harassment or discrimination, (vii) Executive's conduct that causes material harm to the business reputation of the Company or its Affiliates, or (viii) Executive's breach of the provisions of Sections 7 (Confidentiality; Intellectual Property) or 8 (Non-Competition; Non-Solicitation) of this Agreement.

d. A "**Change In Control**" will be deemed to have occurred for purposes hereof, upon any one of the following events: (a) any person (within the meaning of Sections 13(d) and 14(d) of the Exchange Act), other than the Company (including its subsidiaries, directors, and executive officers) has become the Beneficial Owner of thirty percent (30%) or more of the combined voting power of the Company's then outstanding common stock or equivalent in voting power of any class or classes of the Company's outstanding securities ordinarily entitled to vote in elections of directors ("**Voting Securities**") (other than as a result of an issuance of securities by the Company approved by Incumbent Directors, or open market purchases approved by Incumbent Directors at the time the purchases are made); (b) individuals who constitute the Board as of the Effective Date (the "**Incumbent Directors**") have ceased for any reason to constitute at least a majority thereof, provided that any person becoming a director after the Effective Date whose election, or nomination for election by the Company's stockholders, was approved by a majority of the directors comprising the Incumbent Board, either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("**Election Contest**") or other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board ("**Proxy Contest**"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director; (c) the stockholders of the Company approve a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction, or the sale or other disposition of all or substantially all of the Company's assets (a "**Transaction**"), unless immediately following such Transaction, (i) all or substantially all of the Persons who were the Beneficial Owners of the Voting Securities outstanding immediately prior to such Transaction are the Beneficial Owners of more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the entity resulting from such Transaction (including, without limitation, an entity which as a result of such Transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "**Surviving Entity**") in substantially the same proportions as their ownership, immediately prior to such Transaction, of the Voting Securities, (ii) no Person is the Beneficial Owner of 30% or more of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the Surviving Entity, and (iii) at least a majority of the members of the board of directors of the Surviving Entity are Incumbent Directors; or (d) approval by the Company's stockholders of a complete liquidation and dissolution of the Company.

However, if in any circumstance in which the foregoing definition would be operative and with respect to which the income tax under Section 409A of the Code would apply or be imposed, but where such tax would not apply or be imposed if the meaning of the term "Change in Control"

met the requirements of Section 409A(a)(2)(A)(v) of the Code, then the term “Change in Control” herein shall mean, but only for the transaction so affected, a “change in control event” within the meaning of Treas. Reg. §1.409A-3(i)(5).

e. **“Change In Control Protection Period”** shall mean that period commencing on the date that the Company or a third party publicly announces an event that, if consummated, would constitute a Change In Control and ending (i) on the date that the circumstances giving rise to the announcement of the event are abandoned or withdrawn, or (ii) if such transaction is consummated, two years after the Change In Control.

f. **“COBRA”** shall mean those provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended, related to continuation of group health and dental plan coverage as set forth in Code section 4980B.

g. **“Code”** shall mean the Internal Revenue Code of 1986, as amended from time to time.

h. **“Competitive Business”** shall mean businesses that compete with products and services offered by the Company in those countries where the Company or any of its Affiliates manufactures, produces, sells, leases, rents, licenses or otherwise provides its products or services during the two (2) years preceding the Termination Date (including, without limitation, businesses which the Company or its Affiliates have specific plans to conduct in the future that were disclosed or made available to Executive), provided that, if Executive's duties were limited to particular product lines or businesses during such period, the Competitive Business shall be limited to those product lines or businesses in those countries for which the Executive had such responsibility.

i. **“Confidential Information”** shall mean any non-public, proprietary or confidential information, including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, benefits, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals concerning the past, current or future business, activities and operations of the Company, its Affiliates and/or any third party that has disclosed or provided any of same to the Company or its Affiliates on a confidential basis. “Confidential Information” also includes any information designated as a trade secret or proprietary information by operation of law or otherwise, but shall not be limited by such designation. “Confidential Information” shall not include any information that is (i) generally known to the industry or the public other than as a result of Executive's breach of this covenant; (ii) made legitimately available to Executive by a third party without breach of any confidentiality obligation; or (iii) required by law to be disclosed; provided that Executive shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment.

j. **“Controlled Group”** shall mean all corporations or business entities that

are, along with the Company, members of a controlled group of corporations or businesses, as defined in Code Sections 414(b) and 414(c), except that the language “at least 50 percent” is used instead of “at least 80 percent” in applying the rules of Code Sections 414(b) and 414(c).

k. **“Fiscal Year”** shall mean the fiscal year of the Company.

l. **“Good Reason”** shall mean any of the following conditions which occurs without the consent of the Executive: (i) a material diminution in the Executive's base salary or annual bonus opportunity; (ii) a material diminution in the Executive's authority, duties, or responsibilities (including status, offices, titles and reporting requirements); (iii) a material change in the geographic location at which the Executive must perform his duties; (iv) failure of the Company to pay compensation or benefits when due, or (v) any other action or inaction that constitutes a material breach by the Company of this Agreement. The conditions described above will not constitute “Good Reason” unless the Executive provides written notice to the Company of the existence of the condition described above within ninety (90) days after the initial existence of such condition. In addition, the conditions described above will not constitute “Good Reason” unless the Company fails to remedy the condition within a period of thirty (30) days after receipt of the notice described in the preceding sentence. If the Company fails to remedy the condition within the period referred to in the preceding sentence, Executive may terminate his employment with the Company for “Good Reason” within in the next thirty (30) days following the expiration of the cure period.

m. **“Notice of Termination”** shall mean a notice which shall indicate the general reasons for the termination employment and the circumstances claimed to provide a basis for termination of employment or other Separation of Service under the provision so indicated.

n. **“Person”** shall mean any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever.

o. **“Specified Employee”** shall have the meaning and shall be determined in the manner set forth in the Celanese Americas Supplemental Retirement Pension Plan.

p. **“Restricted Period”** shall be (i) one year from the Termination Date in the event of a Separation from Service that occurs during the Service Term (as defined hereinafter) other than in the case of an involuntary Separation from Service without Cause, (ii) in the case of an involuntary Separation from Service without Cause during the Service Term, an amount of time in whole months equal to the number of months' salary the Company agrees to provide to Executive in severance, whether paid over time or in a lump sum; and (iii) eighteen (18) months from the Termination Date in the event of a Separation from Service following a Change In Control where Executive receives the Change In Control Payment (as defined hereinafter).

q. **“Separation from Service”** shall mean an event after which the Executive shall no longer provide services to the members of the Controlled Group, whether voluntarily or involuntarily as determined by the Committee (as hereafter defined) in accordance with Treas. Reg. §1.409A-1(h)(1). A Separation from Service shall occur when Executive has experienced a termination of employment from the members of the Controlled Group. Executive shall be

considered to have experienced a termination of employment when the facts and circumstances indicate that the Executive and the Company reasonably anticipate that either (i) no further services will be performed for the members of the Controlled Group after a certain date, or (ii) that the level of bona fide services the Executive will perform for the members of the Controlled Group after such date (whether as an employee or as an independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed by such Executive (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services to the members of the Controlled Group if the Executive has been providing services to the members of the Controlled Group less than 36 months). If Executive is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between the Executive and the members of the Controlled Group shall be treated as continuing intact, provided that the period of such leave does not exceed 6 months, or if longer, so long as the Executive retains a right to reemployment with the members of the Controlled Group under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds 6 months and the Executive does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of this Agreement as of the first day immediately following the end of such 6-month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that the Executive will return to perform services for any members of the Controlled Group.

Notwithstanding the foregoing provisions, if Executive provides services for the Company as both an employee and as a non-employee director, to the extent permitted by Treas. Reg. §1.409A-1(h)(5) the services provided by such Executive as a non-employee director shall not be taken into account in determining whether the Executive has experienced a Separation from Service.

r. **“Target Bonus”** shall mean the target bonus for Executive under any annual bonus plan in effect from time to time as determined by the Compensation Committee (the **“Committee”**) or the Board.

s. **“Termination Date”** shall mean the date upon which a Separation from Service with respect to an Executive occurs.

2. **Term of Change In Control Agreement.**

a. This Agreement shall be for an initial term (the **“Initial Term”**) of two years and shall continue to renew for consecutive two year terms thereafter (a **“Renewal Term”**), unless either party shall give written notice to the other (a **“Notice of Non-Renewal”**) that such agreement shall not renew at least ninety (90) days prior to the expiration of the Initial Term or Renewal Term then in effect. Notwithstanding the foregoing, the Company may not give a Notice of Non-Renewal during the Change In Control Protection Period.

b. This Agreement, except those provisions which shall survive under Section 11(k), shall terminate upon the termination of Executive's employment for any reason other than the termination of Executive's employment during the Change In Control Protection

Period (x) by the Company without Cause or (y) by the Executive with Good Reason. No payment under this Agreement will be due to Executive upon termination of Executive's employment for any reason other than as specified in (x) or (y) above.

3. **Executive's Incumbent Position.**

a. Unless notified otherwise by the Chief Executive Officer of the Company or the Board, Executive shall serve as <<Executive Incumbent Position>> ("**Executive's Incumbent Position**"). In such position, Executive shall have such duties and authority as shall be determined from time to time by the Chief Executive Officer and the Board. If requested, Executive shall also serve as a member of the Board without additional compensation. The period during which the Executive shall be employed by the Company shall be called the "**Service Term**."

b. Except as provided in Section 5, (i) either Company or Executive may terminate the employment relationship at any time, with or without Cause or Good Reason, (ii) this Agreement shall not be construed as giving the Executive any right to be retained in the employ of the Company or its Affiliates, (iii) the Company may at any time terminate the Executive free from any liability of any claim under this Agreement, except as expressly provided herein; and (iv) the Company may demote Executive at any time in its absolute and sole discretion without liability to the Executive.

c. During the Service Term, Executive will devote Executive's full business time and best efforts to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the rendition of such services either directly or indirectly, without the prior written consent of the Board; provided that nothing herein shall preclude Executive, (i) subject to the prior approval of the Board, from accepting appointment to or continuing to serve on any board of directors or trustees of any business corporation or any charitable organization or (ii) from participating in charitable activities or managing personal investments; provided in each case, and in the aggregate, that such activities do not conflict or interfere with the performance of Executive's duties hereunder or conflict with Sections 7 or 8. Executive shall promote the goodwill of the Company with its employees, customers, stockholders, vendors, and the general public. During the Service Term, reasonable business expenses incurred by Executive in the performance of Executive's duties hereunder and to support the goodwill and business relationships of the Company shall be reimbursed by the Company in accordance with Company policies.

4. **Obligations of the Company upon Change In Control with Respect to Long-Term Incentive Awards and Deferred Compensation.**

The effect of a change in control on any long-term incentive awards (cash or equity) or deferred compensation previously granted to the Executive under the 2008 Deferred Compensation Plan, 2004 Stock Incentive Plan or the 2004 Deferred Compensation Plan, as amended, (the "**Long-Term Incentive Awards**") shall be governed by the terms and conditions of the applicable individual award agreements or deferral agreements and the Celanese Corporation

2008 Deferred Compensation Plan, the 2004 Stock Incentive Plan or the 2004 Deferred Compensation Plan, as amended (collectively, the “*Long-Term Incentive Award Agreements*”), and shall not be governed by this Agreement.

5. **Termination of Employment Connected with a Change In Control.**

a. Upon Executive's Separation from Service during the Change In Control Protection Period, Executive shall receive the Change In Control Payment if and only if the following conditions occur:

(i) The Change In Control is consummated;

(ii) Executive is employed in the Executive Incumbent Position or some substantially equivalent or higher position for the Company as of the commencement of the Change In Control Protection Period;

(iii) Executive's employment is terminated either by the Company without Cause or by the Executive with Good Reason such that a Separation from Service occurs;

(iv) Within fifty-three (53) days after both conditions in Sections 5(a)(i) and 5(a)(iii), or at the expiration of twenty-one (21) days following the presentation of the release, Executive executes a release of all claims, known or unknown, against the Company, its Affiliates, and their respective agents in a form satisfactory to the Company similar to that attached hereto as Exhibit A and does not timely revoke such release before the expiration of seven days following his or her execution of the release; and

(v) Within fifty-three (53) days after both conditions in Sections 5(a)(i) and 5(a)(iii), Executive reaffirms in writing in a manner satisfactory to the Company his or her obligations under Sections 7 and 8 of this Agreement.

b. The “*Change In Control Payment*” shall be equal to two (2) times the sum of (i) Executive's then current annualized base salary; and (ii) the higher of (x) Executive's Target Bonus in effect on the last day of the Fiscal Year that ended immediately prior to the year in which the Termination Date occurs, or (y) the average of the cash bonuses paid by the Company to Executive for the three Fiscal Years preceding the Termination Date.

c. If the Executive is a Specified Employee on the Executive's Termination Date, the Change In Control Payment shall be paid in a single lump sum to Executive six (6) months and one day after the Executive's Termination Date, together with interest at the rate provided in Section 1274(b)(2)(B) of the Code. If the Executive is not a Specified Employee on the Executive's Termination Date, the Severance Payment shall be paid in a single lump sum to the Executive within thirty (30) days of the Executive's Termination Date.

d. Provided that (i) all of the conditions in Section 5(a) are met, (ii) Executive makes a timely COBRA election, and (iii) Executive has complied in all material

respects with regard to the obligations of Sections 7 and 8 of this Agreement, if the Executive timely remits to the Company the applicable "COBRA" premiums for such coverage, the Company will continue to provide group health and dental coverage under the Company's medical plan for Executive and his or her dependents during the Restricted Period; and will reimburse Executive for all premiums paid by Executive for such continued coverage. Such reimbursements will be made within thirty (30) days after Executive's payment of such premiums (or submission of a request for reimbursement and satisfactory proof of such payment) but in no event later than on or before the last day of the Executive's tax year following the tax year in which the expense was incurred. The amount of COBRA premiums and health and dental expenses eligible for reimbursement during Executive's tax year may not affect the COBRA premiums and health and dental expenses eligible for reimbursement in any other tax year.

e. Adjustment to Payments.

(i) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any economic benefit or payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (including, but not limited to, any economic benefit received by the Executive by reason of the acceleration of rights under the various option and restricted stock unit plans of the Company) ("**Covered Payments**"), would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "**Excise Tax**"), the Covered Payments shall be reduced (but not below zero) if and to the extent that such reduction would result in the Executive retaining a larger amount, on an after-tax basis (taking into account federal, state and local income taxes and the imposition of the Excise Tax), than if the Executive received all of the Covered Payments. The Company shall reduce or eliminate the Covered Payments, by first reducing or eliminating the portion of the Covered Payments which are not payable in cash and then by reducing or eliminating cash payments, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time from the determination.

(ii) All determinations required to be made under subsection (e)(i), including whether and when an adjustment to any Covered Payments is required and, if applicable, which Covered Payments are to be so adjusted, shall be made by a public accounting firm appointed by the Company or tax counsel selected by such accounting firm (the "**Accountants**"). All fees and expenses of the Accountants shall be borne solely by the Company. Any determination by the Accountants shall be binding upon the Company and Executive.

f. Notwithstanding any provision of this Agreement to the contrary, if Executive is a Specified Employee and if any payment under this Agreement provides for a "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and if such payment would otherwise occur before the date that is six (6) months after the Executive's Termination Date, then such payment shall be delayed and shall occur on the date that is six (6)

months and one (1) day after the Termination Date (or, if earlier, the date of the Executive's death), together with interest at the rate provided in Section 1274(b)(2) (B) of the Code.

6. **Exclusivity of Benefits.** Executive acknowledges that this Agreement supercedes and replaces all prior agreements or understandings Executive may have with the Company with respect to compensation or benefits that may become payable in connection with or as a result of a change in control of the Company, whether or not such change in control constitutes a Change In Control, including any provisions contained in any employment agreement, offer letter or change in control agreement, except with respect to any Long-Term Incentive Awards which shall be governed by the terms of the Long-Term Incentive Award Agreements. This Agreement also describes all payments and benefits that the Company shall be obligated to provide to Executive upon Executive's Separation from Service during a Change In Control Protection Period and shall constitute Executive's agreement to waive any rights to payment under the Celanese Americas Separation Pay Plan, any similar or successor plan adopted by the Company, and any other term of employment contained in any employment agreement, offer letter, change in control agreement or otherwise (other than benefits to which he/she may be entitled, if any: (i) under any Celanese plan qualified under Section 401 (a) of the Internal Revenue Code, including the Celanese Americas Retirement Pension Plan and Celanese Americas Retirement Savings Plan; and (ii) under the 2008 Celanese Deferred Compensation Plan) to the extent that the circumstances giving right to such right to payment would constitute a Separation of Service during a Change In Control Protection Period.

7. **Confidentiality; Intellectual Property.**

a. Confidentiality.

(i) Based upon the assurances given by the Executive in this Agreement, the Company will provide Executive with access to its Confidential Information. Executive hereby reaffirms that all Confidential Information received by Executive prior to the termination of this Agreement is the exclusive property of the Company and Executive releases any individual claim to the Confidential Information.

(ii) Executive will not at any time (whether during or after Executive's employment with the Company) (x) retain or use for the benefit, purposes or account of Executive or any other Person; or (y) disclose, divulge, reveal, communicate, share, make available, transfer or provide access to any Person outside the Company (other than its professional advisers who are bound by confidentiality obligations), any Confidential Information without the prior written authorization of the Board.

(iii) Upon termination of Executive's employment with the Company for any reason, Executive shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company or its Affiliates; (y) immediately destroy, delete, or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Executive's

possession or control (including any of the foregoing stored or located in Executive's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information or otherwise relate to the business of the Company or its Affiliates, except that Executive may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information; and (z) notify and fully cooperate with the Company regarding the delivery or destruction of any other Confidential Information of which Executive is or becomes aware.

(iv) If Executive has previously entered into any confidentiality or non-disclosure agreements with any former employer, Executive hereby represents and warrants that such confidentiality and/or non-disclosure agreement or agreements have been fully disclosed and provided to the Company prior to commencing employment with the Company.

b. Intellectual Property.

(i) If Executive has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("**Works**"), either alone or with third parties, prior to Executive's employment by the Company, that are relevant to or implicated by such employment ("**Prior Works**"), Executive hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business. A list of all such Works as of the date hereof is attached hereto as **Exhibit B**.

(ii) If Executive creates, invents, designs, develops, contributes to or improves any Works, either alone or with third parties, at any time during Executive's employment by the Company and within the scope of such employment and/or with the use of any of the Company resources ("**Company Works**"), Executive shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Executive agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company at all times.

(iv) Executive shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the

Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason to secure Executive's signature on any document for this purpose, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact, to act for and in Executive's behalf and stead to execute any documents and to do all other lawfully permitted acts in connection with the foregoing.

(v) Executive shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Executive hereby indemnifies, holds harmless and agrees to defend the Company and its officers, directors, partners, employees, agents and representatives from any breach of the foregoing covenant. Executive shall comply with all relevant policies and guidelines of the Company, including regarding the protection of confidential information and intellectual property and potential conflicts of interest. Executive acknowledges that the Company may amend any such policies and guidelines from time to time, and that Executive remains at all times bound by their most current version.

c. In the event Executive leaves the employ of the Company, Executive hereby grants consent to notification by the Company to any subsequent employer about Executive's rights and obligations under this Agreement.

8. **Non-Competition; Non-Solicitation.**

a. Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates and accordingly agrees as follows:

(i) During the Service Term and for the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any Person, directly or indirectly solicit or assist in soliciting in competition with the Company or its Affiliates, the business of any customer, prospective customer, client or prospective client:

(A) with whom Executive had personal contact or dealings on behalf of the Company or its Affiliates during the one year period preceding the termination of Executive's employment;

(B) with whom employees directly or indirectly reporting to Executive have had personal contact or dealings on behalf of the Company or its Affiliates during the one-year immediately preceding the termination of Executive's employment; or

(C) for whom Executive had direct or indirect responsibility during the one year period immediately preceding the termination of Executive's employment.

(ii) During the Restricted Period, Executive will not directly or indirectly:

(A) engage in any Competitive Business;

(B) enter the employ of, or render any services to, any Person (or any division or controlled or controlling affiliate of any Person) who or which engages in a Competitive Business;

(C) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, stockholder, officer, director, principal, agent, trustee or consultant; or

(D) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Agreement) between the Company or any of its Affiliates and customers, clients, suppliers partners, members or investors of the Company or its Affiliates.

(iii) Notwithstanding anything to the contrary in this Agreement, Executive may directly or indirectly own, solely as an investment, securities of any Person engaged in the business of the Company or its Affiliates which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Executive (i) is not a controlling Person of, or a member of a group which controls, such Person and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such Person.

(iv) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit, interview, encourage, or take any other action that would tend to influence in any manner any employee of the Company or its Affiliates to leave the employment of the Company or its Affiliates (other than as a result of a general advertisement of employment made by Executive's subsequent employer or business, not directed at any such employee); or

(B) hire any such employee who was employed by the Company or its Affiliates as of the Termination Date or who left the employment of the Company or its Affiliates coincident with, or within one year prior to or after, the Termination Date.

(v) During the Restricted Period, Executive will not, directly or indirectly, solicit or encourage any consultant then under contract with the Company or its Affiliates to cease to work with the Company or its Affiliates.

b. It is expressly understood and agreed that although Executive and the Company consider the restrictions contained in this Section 8 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other

restriction contained in this Agreement is an unenforceable restriction against Executive, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

c. Prior to the commencement thereof, Executive will provide written notice to the Company of any employment or other activity that would potentially violate the provisions of Sections 7 or 8 and, if Executive wishes to do so, Executive may ask the Board to modify or waive the protections of this Section 8, but nothing in this Agreement shall limit in any manner the Board's absolute discretion not to do so.

9. **Enforcement of Promises Concerning the Protection of the Company's Confidential Information and Goodwill.** Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 7 or Section 8 would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of such a breach in or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available. In addition, and without limiting the Company's ability to obtain such equitable relief, Executive shall not be entitled to any Change In Control Payment if Executive materially violates the provisions of Sections 7 or 8 and, to the extent that such payments have already been made, Executive shall repay all Change In Control Payments immediately upon demand by the Company.

10. **Section 409A Acknowledgement and Release.** Executive understands that payments under this Agreement are potentially subject to Section 409A of the Code and that if this Agreement does not satisfy an exception to Code Section 409A or does not comply with the requirements of Section 409A and the applicable guidance thereunder, then Executive may incur adverse tax consequences under Section 409A. Executive acknowledges and agrees that (a) Executive is solely responsible for all obligations arising as a result of the tax consequences associated with payments under this Agreement including, without limitation, any taxes, interest or penalties associated with Section 409A, (b) Executive is not relying upon any written or oral statement or representation by the Company or any Affiliate thereof, or any of their respective employees, directors, officers, attorneys or agents (collectively, the "**Company Parties**") regarding the tax effects associated with the execution of this Agreement and the payment under this Agreement, and (c) in deciding to enter into this Agreement, Executive is relying on his or her own judgment and the judgment of the professionals of his or her choice with whom Executive has consulted. Executive hereby releases, acquits and forever discharges the Company Parties from all actions, causes of actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with the execution of this

Agreement and any payment hereunder.

11. **Miscellaneous.**

a. **Governing Law; Jurisdiction; Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of laws principles thereof. Any action concerning or relating to this Agreement shall be filed only in the federal and state courts sitting in Dallas County, Texas.

b. **Entire Agreement; Amendments.** This Agreement contains the entire understanding of the parties with respect to any Change In Control or the subject matter of this Agreement, provided however, that the effects of a change in control pursuant to the Long-Term Incentive Award Agreements shall be governed by the terms of such agreements and shall not be affected by this Agreement.

c. **No Waiver.** The failure of a party to insist upon strict adherence to any term of this Agreement, or any term of any agreement with any other employee, on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

d. **Severability.** In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

e. **Assignment.** This Agreement, and all of Executive's rights and duties hereunder, shall not be assignable or delegable by Executive. Any purported assignment or delegation by Executive in violation of the foregoing shall be null and void ab initio and of no force and effect. This Agreement may be assigned, in whole or in part, by the Company to a Person which is an Affiliate or a successor in interest to all or a substantial part of the business operations of the Company. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such Affiliate or successor Person.

f. **Successors; Binding Agreement.** This Agreement shall inure to the benefit of and be binding upon personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

g. **Notice.** For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or three days after it has been mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below in this Agreement, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to the Company:

222 West Las Colinas Boulevard, Suite 900N
Irving, Texas 75039
Attention: General Counsel

If to Executive:

Executive's home address as set forth in the personnel records of the Company

- h. Cooperation. Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder.
- i. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.
- j. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.
- k. Survival. The provisions of Sections 1 and 7 through 9 of this Agreement shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

EXECUTIVE:

By: _____
<<NAME>>
Employee ID: <<Personnel Number>>

Date: _____

Celanese Corporation:

By: _____

Date: _____

EXHIBIT A

FORM OF GENERAL RELEASE AGREEMENT

AGREEMENT AND GENERAL RELEASE

Celanese Corporation and its Affiliates (the "Company"), 222 West Las Colinas Boulevard, Suite 900N, Irving, Texas 75039 and _____, his or her heirs, executors, administrators, successors, and assigns ("Executive"), enter into this Agreement and General Release (the "Release") and agree as follows:

1. **Last Day of Employment (Separation Date)**. The last day of employment with the Company is [Insert Date] (the "Separation Date").
2. **Consideration**. In consideration for signing this Release and compliance with the promises made herein, Company and Executive agree:
 - a. **Change In Control Payment**. The Company will pay the Change In Control Payment, as defined in the Change In Control Agreement between the Company and Executive dated on or about _____, 20__ (the "CIC Agreement")¹ and provide the reimbursements set forth in the CIC Agreement. Executive agrees that such payments are the exclusive payments due to Executive arising out of the separation of Executive's employment.
 - b. **Unused Vacation**. The Company will pay to Executive wages for prorated unused vacation as of the Separation Date.
 - c. **Benefits**. The Executive shall be entitled to elect to continue group health and dental coverage under COBRA and shall be reimbursed for such premiums as provided in the CIC Agreement. Executive's rights in any other employee benefit plans of the Company will be as provided in the relevant plan documents.
3. **No Consideration Absent Execution of this Agreement**. Executive understands and agrees that he/she would not receive the consideration specified in Paragraph "2" above, unless the Executive signs this Agreement and General Release on the signature page without having revoked this Release pursuant to paragraph 14 below and the fulfillment of the promises contained herein.
4. **General Release of Claims**. Executive knowingly and voluntarily releases and forever discharges the Company and its Affiliates, together with its predecessors, successors and assigns and the current and former employees, officers, directors and agents thereof (collectively, the "Released Parties"), of and from any and all claims, known and unknown, asserted and unasserted, Executive has or may have as of the date of execution of this Release to the full extent permitted by law, in all countries and jurisdictions in which the Released Parties conduct their respective business, including but not limited to the United States of America. Notwithstanding anything to the contrary herein, it is expressly understood and agreed that the terms and conditions of any Long-Term Incentive Awards shall continue to be governed by the applicable Long-Term Incentive Award Agreements and shall not be affected by this Release.

¹All capitalized terms shall have the same meaning as set forth in the CIC Agreement, unless otherwise stated.

5. Executive acknowledges and agrees that he/she has been paid all amounts owed to Executive as compensation, whether in the form of salary, bonus, equity compensation, benefits or otherwise. The release in Section 4 of this Release includes, but is not limited to, any alleged violation of the following, as may be amended or in effect:
- (a) any action arising under or relating to any federal or state statute or local ordinance, such as:
 - Title VII of the Civil Rights Act of 1964;
 - The Civil Rights Act of 1991;
 - Sections 1981 through 1988 of Title 42 of the United States Code;
 - The Employee Retirement Income Security Act of 1974;
 - The Immigration Reform and Control Act;
 - The Family and Medical Leave Act;
 - The Americans with Disabilities Act of 1990;
 - The Age Discrimination in Employment Act of 1967;
 - The Workers Adjustment and Retraining Notification Act;
 - The Occupational Safety and Health Act;
 - The Sarbanes-Oxley Act of 2002;
 - The Texas Commission on Human Rights Act;
 - The Texas Minimum Wage Law;
 - Equal Pay Law for Texas; and
 - The Vocational Rehabilitation Act.
 - (b) any other national, federal, state, province, or local civil or human rights law, or any other local, state, province, national or federal law, regulation or ordinance; or any law, regulation or ordinance of a foreign country, including but not limited to the Federal Republic of Germany and the United Kingdom;
 - (c) any action under public policy, contract, tort, common law or equity, including, but not limited to, claims based on alleged breach of an obligation or duty arising in contract or tort, such as breach of contract, fraud, quantum meruit, invasion of privacy, wrongful discharge, defamation, infliction of emotional distress, assault, battery, malicious prosecution, false imprisonment, harassment, negligence, gross negligence, and strict liability;
 - (d) any claim for lost, unpaid, or unequal wages, salary, or benefits, including, without limitation, any claim under the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Equal Pay Act, the Texas Minimum Wage Law, the Texas Equal Pay Law, or any other local, state, or federal statute concerning classifications, wages, salary, or benefits, including calculations and deductions relating to same, as well as the employment, labor and benefits laws and regulations in all countries in addition to the United States of America, including but not limited to the United Kingdom and the Federal Republic of Germany; and
 - (e) any other claim regardless of the forum in which it might be brought, if any, which Executive has, might have, or might claim to have against any of the Released Parties, for any and all injuries, harm, damages, wages, benefits, salary, reimbursements, penalties, costs, losses, expenses, attorneys' fees, and/or liability or other detriment, if any, whatsoever and whenever incurred, suffered, or claimed by the Executive.

6. **Affirmations.** Executive affirms that he/she has not filed, caused to be filed, or presently is a party to any claim, complaint, or action against the Released Parties in any forum or form, provided that this Release shall not affect the rights or responsibilities of the Equal Employment Opportunity Commission, or any other federal, state, or local authority with similar responsibilities (collectively, the "Commission") to enforce any employment discrimination law, and that this Release shall not affect the right of Executive to file a charge of discrimination with the Commission or participate in any investigation. However, Executive waives any right to participate in any payment or benefit arising from any such charge, claim, or investigation.

Executive further affirms that he/she has reported all hours worked as of the date of this Release and has been paid and/or has received all leave (paid or unpaid), compensation, wages, bonuses, commissions, and/or benefits to which he/she may be entitled and that no other leave (paid or unpaid), compensation, wages, bonuses, commissions and/or benefits are due to him/her, except as provided specifically in this Release. Executive furthermore affirms that he/she has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act.

Executive reaffirms that he or she will comply fully with Sections 7 through 9 of the CIC Agreement and that, if he or she violates such provisions, all consideration paid hereunder will be immediately due and payable back to the Company.

7. **Governing Law and Interpretation.** This Release shall be governed and conformed in accordance with the laws of the State of Texas, without regard to its conflict of laws provision. In the event the Executive or Company breaches any provision of this Release, Executive and Company affirm that either may institute an action to specifically enforce any term or terms of this Release. Should any provision of this Release be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of this Release in full force and effect.
8. **Non-admission of Wrongdoing.** The parties agree that neither this Release nor the furnishing of the consideration for this Release shall be deemed or construed at anytime for any purpose as an admission by Company of any liability or unlawful conduct of any kind.
9. **Neutral Reference.** If contacted by another organization, the Company will only provide dates of employment and position.
10. **Non-Disparagement.** Executive agrees not to disparage, or make disparaging remarks or send any disparaging communications concerning, the Company, its reputation, its business, and/or its directors, officers and managers. Likewise the Company's senior management agrees not to disparage, or make any disparaging remark or send any disparaging communication concerning Executive, his reputation and/or his business.
11. **Future Cooperation after Separation Date.** After separation, Executive agrees to make reasonable efforts to assist Company including but not limited to: assisting with transition duties, assisting with issues that arise after separation of employment and assisting with the defense or prosecution of any lawsuit or claim. This includes but is not limited to providing deposition testimony, attending hearings and testifying on behalf of the Company. The Company will reimburse Executive for reasonable time and expenses in connection with any future cooperation after the separation date. Time and expenses can include loss of pay or using vacation time at a future employer. The Company shall reimburse the Executive within thirty (30) days of remittance by Executive to the Company of

such time and expenses incurred, but in no event later than the end of the Executive's tax year following the tax year in which the Executive incurs such time and expenses and such reimbursement obligation shall remain in effect for five years and the amount of expenses eligible for reimbursement hereunder during Executive's tax year will not affect the expenses eligible for reimbursement in any other tax year. Notwithstanding the preceding sentence, if Executive is a Specified Employee on the Executive's Termination Date, the reimbursement shall not be made until after six (6) months and one day following Executive's Termination Date.

12. **Injunctive Relief.** Executive agrees and acknowledges that the Company will be irreparably harmed by any breach, or threatened breach by him/her of this Agreement and that monetary damages would be grossly inadequate. Accordingly, he/she agrees that in the event of a breach, or threatened breach by him/her of this Agreement the Company shall be entitled to apply for immediate injunctive or other preliminary or equitable relief, as appropriate, in addition to all other remedies at law or equity.
13. **Review Period.** Executive is hereby advised he/she has until [Insert Date], twenty-one (21) calendar days, to review this Release and to consult with an attorney prior to execution of this Release. Executive agrees that any modifications, material or otherwise, made to this Release do not restart or affect in any manner the original twenty-one (21) calendar day consideration period.
14. **Revocation Period and Effective Date.** In the event that Executive elects to sign and return to the Company a copy of this Agreement, he/she has a period of seven (7) days (the "Revocation Period") following the date of such execution to revoke this Release, after which time this agreement will become effective (the "Effective Date") if not previously revoked. In order for the revocation to be effective, written notice must be received by the Company no later than close of business on the seventh day after the Executive signs this Release at which time the Revocation Period shall expire.
15. **Amendment.** This Release may not be modified, altered or changed except upon express written consent of both parties wherein specific reference is made to this Release.
16. **Entire Agreement.** This Release sets forth the entire agreement between the parties hereto, and fully supersedes any prior obligation of the Company to the Executive. Executive acknowledges that he/she has not relied on any representations, promises, or agreements of any kind made to him/her in connection with his/her decision to accept this Release, except for those set forth in this Release.
17. HAVING ELECTED TO EXECUTE THIS AGREEMENT AND GENERAL RELEASE, TO FULFILL THE PROMISES AND TO RECEIVE THE SUMS AND BENEFITS IN SECTION 2 ABOVE, EXECUTIVE FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS RELEASE INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS HE/SHE HAS OR MIGHT HAVE AGAINST COMPANY.

IN WITNESS WHEREOF, the parties hereto knowingly and voluntarily executed this Release as of the date set forth below.

EXECUTIVE:

By: _____

Date: _____

Celanese Corporation:

By: _____

Date: _____

EXHIBIT B

[List of Works]

Schedule of Executive Officers

Mark C. Rohr

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Section 6: EX-10.6 (AMENDMENT TO 2010 2011 STOCK OPTION AGREEMENT)

Exhibit 10.6

FORM OF AMENDMENT TO

<<2010>> <<2011>> NONQUALIFIED STOCK OPTION AWARD AGREEMENT

This AMENDMENT TO NONQUALIFIED STOCK OPTION AWARD AGREEMENT (this "Amendment") is entered into as of April 18, 2012, by and between Celanese Corporation (the "Company") and <<NAME>> (the "Participant"), and amends that certain Nonqualified Stock Option Award Agreement dated as of <<Original Date>> (the "Agreement"), by and between the Company and the Participant.

WHEREAS, the Company and the Participant desire to amend certain provisions of the Agreement to implement the Company's retirement policy for equity awards.

In consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

1. Effects of Certain Events Prior to Vesting. Section 5 of the Agreement is hereby amended to implement retirement provisions and is therefore amended and restated to read in its entirety as follows:

5. Effects of Certain Events:

(a) Upon the termination of the Participant's employment by Company without Cause or due to the Participant's death or Disability, a prorated portion of the unvested portion of the Option will vest upon such termination in an amount equal to (i) the unvested Option in each Vesting Period multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination without Cause or due to the Participant's death or Disability, and the denominator of which is the number of complete and partial calendar months in each applicable Vesting Period, such product to be rounded up to the nearest whole number. The Participant (or the Participant's estate, beneficiary or legal representative) may exercise the vested portion of the Option until the earlier of (1) the twelve-month anniversary of the date of such termination of employment without Cause or due to the Participant's death or Disability or (2) the Expiration Date. The remaining unvested portion of the Option shall be forfeited and cancelled without consideration.

(b) Upon the voluntary termination of the Participant's employment with the Company upon Retirement, a prorated portion of the unvested portion of the Option will vest on the normal vesting dates in an amount equal to (i) the unvested Option in each Vesting Period multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of Retirement, and the denominator of which is the number of complete and partial calendar months in each applicable Vesting Period, such product to be rounded up to the nearest whole number. As a condition to the vesting provisions of this subsection, the Participant shall enter into a separation agreement with the Company upon Retirement that includes two-year noncompetition and non-solicitation covenants in a form acceptable to the Company. Any outstanding Net Profit Shares as of Retirement (and any Net Profit Shares created by reason of an exercise after Retirement) will continue to be subject to the holding period requirement of Section 4 until the applicable Restrictions Lapse Date. The

Participant (or the Participant's estate, beneficiary or legal representative) may exercise the vested portion of the Option until the Expiration Date. The remaining portion of the Option shall be forfeited and cancelled without consideration.

(c) Upon the termination of a Participant's employment with the Company by reason of the Participant's voluntary resignation (other than Retirement), (i) the unvested portion of the Option shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment, (ii) the Participant may exercise the vested portion of the Option until the earlier of (1) ninety (90) days following the date of such termination of employment and (2) the Expiration Date, and (iii) any outstanding Net Profit Shares will continue to be subject to the holding period requirement until the Restrictions Lapse Date.

(d) Upon the termination of a Participant's employment with the Company for "Cause", (i) the vested and unvested portion of the Option shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment, and (ii) any Net Profit Shares held by the Participant on the date of termination that have not yet become transferable in accordance with Section 4 above shall be immediately forfeited. In that case, (1) the Participant's right to vote and to receive dividends on, and all other rights, title or interest in, or with respect to, such forfeited Net Profit Shares shall automatically, without further act, terminate, and (2) such forfeited Net Profit Shares shall be returned to the Company. The Participant hereby irrevocably appoints (which appointment is coupled with an interest) the Company as the Participant's agent and attorney-in-fact to take any necessary or appropriate action to cause any forfeited Net Profit Shares to be returned to the Company, including without limitation executing and delivering stock powers and instruments of transfer, making endorsements and/or making, initiating or issuing instructions or entitlement orders, all in the Participant's name and on the Participant's behalf. The Participant hereby ratifies and approves all acts done by the Company as such attorney-in-fact. Without limiting the foregoing, the Participant expressly acknowledges and agrees that any transfer agent for such forfeited Net Profit Shares is fully authorized and protected in relying on, and shall incur no liability in acting on, in the documents, instruments, endorsements, instructions, orders or communications from the Company in connection with such forfeited Net Profit Shares or any transfer thereof, and that any such transfer agent is a third-party beneficiary of this Agreement.

2. Definitions. Section 22 is hereby amended to add a definition of Retirement as follows:

(e) "*Retirement*" of the Participant shall mean a voluntary separation from service on or after the date when the Participant is both 55 years of age and has ten years of service with the Company.

3. No Other Amendments. Except as expressly provided in this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and year first above written.

PARTICIPANT:

By: _____
<<NAME>>
Executive ID: <<Personnel Number>>

Date: _____

Celanese Corporation:

By: _____
Mark C. Rohr
Chairman and Chief Executive Officer

Schedule of Executive Officers

Douglas M. Madden
Gjon N. Nivica, Jr.
Mark W. Oberle
Steven M. Sterin
Jay C. Townsend
Jacquelyn H. Wolf

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Section 7: EX-10.7 (AMENDMENT TO 2010 2011 TIME-VESTING RSU AGREEMENT)

Exhibit 10.7

FORM OF AMENDMENT TO

<<2010>> <<2011>> TIME-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT

This AMENDMENT TO TIME-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Amendment") is entered into as of April 18, 2012, by and between Celanese Corporation (the "Company") and <<NAME>> (the "Participant"), and amends that certain Time-Vesting Restricted Stock Unit Award Agreement dated as of <<Original Date>> (the "Agreement"), by and between the Company and the Participant.

WHEREAS, the Company and the Participant desire to amend certain provisions of the Agreement to implement the Company's retirement policy for equity awards.

In consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

1. **Effects of Certain Events Prior to Vesting.** Section 4 of the Agreement is hereby amended to implement retirement provisions and is therefore amended and restated to read in its entirety as follows:

4. **Effects of Certain Events Prior to Vesting:**

(a) Upon the termination of the Participant's employment by the Company without Cause or due to the Participant's Retirement, death or Disability, a prorated portion of the RSUs that remain unvested will vest in an amount equal to (i) the unvested RSUs in each Vesting Period multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination without Cause or due to the Participant's Retirement, death or Disability, and the denominator of which is the number of complete and partial calendar months in each applicable Vesting Period, such product to be rounded up to the nearest whole number. In the case of

(1) termination without Cause, (A) such prorated number of unvested RSUs shall vest on the respective remaining Vesting Dates and will be subject to any applicable taxes under Section 8 upon such vesting, (B) a portion of such prorated RSUs, <<hold percent>> (Holding Period RSUs), which may be rounded up in each case to avoid fractional shares, will be non-transferable upon vesting and subject to a holding period requirement as provided in Section 3, with the effect that such portion of the prorated RSUs shall be treated as Holding Period RSUs, and shall be settled under Section 5(b) on the Delivery Date, subject to any applicable taxes under Section 8 on the Delivery Date, and (C) the remaining portion of such RSUs, <<transferable percent>> (Transferable RSUs), which may be rounded in each case to avoid fractional shares, will be settled in accordance with the provisions of Section 5(a) following the applicable Vesting Date, subject to any applicable taxes under Section 8; and

(2) separation as a result of Retirement, (A) such prorated number of unvested RSUs shall vest on the respective remaining Vesting Dates and will be subject to any

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applicable taxes under Section 8 upon such vesting, (B) a portion of such prorated RSUs, <<hold percent>> (Holding Period RSUs), which may be rounded up in each case to avoid fractional shares, will be non-transferable upon vesting and subject to a holding period requirement as provided in Section 3, with the effect that such portion of the prorated RSUs shall be treated as Holding Period RSUs, and shall be settled under Section 5(b) on the Delivery Date, subject to any applicable taxes under Section 8 on the Delivery Date, and (C) the remaining portion of such RSUs, <<transferable percent>> (Transferable RSUs), which may be rounded in each case to avoid fractional shares, will be settled in accordance with the provisions of Section 5(a) following the applicable Vesting Date, subject to any applicable taxes under Section 8. As a condition to the vesting provisions upon Retirement contained in this subsection, the Participant shall enter into a separation agreement with the Company upon Retirement that includes two-year noncompetition and non-solicitation covenants in a form acceptable to the Company. Any outstanding Holding Period RSUs as of Retirement, and any unvested RSUs that may vest after Retirement, will continue to be subject to the holding period requirement until the applicable Delivery Date; and

(3) termination by reason of the Participant's death or Disability, such prorated number of RSUs shall vest on the respective remaining Vesting Dates and will be subject to any applicable taxes under Section 8 upon such vesting, and a number of Common Shares equal to such prorated number of RSUs shall be delivered to the Participant or beneficiary within thirty (30) days following the original applicable Vesting Date.

The remaining unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment without Cause or due to the Participant's Retirement, death or disability.

(b) Upon the termination of the Participant's employment for any other reason, the unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment, and any Holding Period RSUs shall remain subject to the provisions of this Agreement until the applicable Delivery Date, except in the case of a termination for Cause, in which case the Holding Period RSUs (if any) shall be immediately forfeited and cancelled without consideration as of such date.

2. Definitions. Section 23 is hereby amended to add a definition of Retirement as follows:

(d) "*Retirement*" of the Participant shall mean a voluntary separation from service on or after the date when the Participant is both 55 years of age and has ten years of service with the Company.

3. No Other Amendments. Except as expressly provided in this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and year first above written.

PARTICIPANT:

By: _____
<<NAME>>
Executive ID: <<Personnel Number>>

Date: _____

Celanese Corporation:

By: _____
Mark C. Rohr
Chairman and Chief Executive Officer

Schedule of Executive Officers

Douglas M. Madden
Jay C. Townsend

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Section 8: EX-10.8 (AMENDMENT TO 2010 2011 PERFORMANCE-VESTING RSU AGREEMENT)

Exhibit 10.8

FORM OF AMENDMENT TO

<<2010>> <<2011>> PERFORMANCE-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT

This AMENDMENT TO PERFORMANCE-VESTING RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Amendment") is entered into as of April 18, 2012, by and between Celanese Corporation (the "Company") and <<NAME>> (the "Participant"), and amends that certain Performance-Vesting Restricted Stock Unit Award Agreement dated as of <<Original Date>> (the "Agreement"), by and between the Company and the Participant.

WHEREAS, the Company and the Participant desire to amend certain provisions of the Agreement to implement the Company's retirement policy for equity awards.

In consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

1. **Effects of Certain Events Prior to Vesting.** Section 4 of the Agreement is hereby amended to implement retirement provisions and is therefore amended and restated to read in its entirety as follows:

4. **Effects of Certain Events Prior to Vesting:**

(a) Upon the termination of the Participant's employment by the Company without Cause prior to the Vesting Date, a prorated number of Performance RSUs in an amount equal to (i) the Target number of Performance RSUs granted hereby multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of termination, and the denominator of which is the number of complete and partial calendar months between the Grant Date and the Vesting Date, such product to be rounded up to the nearest whole number, shall vest on the Vesting Date, subject to adjustment for the achievement of the performance goals outlined herein and as applied to all other Participants; provided, however, that (1) the portion of such prorated, performance-adjusted Performance RSUs that are Transferable RSUs will be settled in accordance with the provisions of Section 5(a), subject to any applicable taxes under Section 8 upon such vesting and settlement, and (2) the remaining portion of such prorated, performance-adjusted Performance RSUs, Holding Period RSUs, will be subject to any applicable taxes under Section 8 upon such vesting, and will be non-transferable and subject to a holding period requirement as provided in Section 3, with the effect that such adjusted prorated, performance-adjusted Performance RSUs shall be treated as Holding Period RSUs, and shall be settled under Section 5(b), subject to applicable taxes under Section 8 upon such settlement. The remaining unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(b) Upon the voluntary termination of the Participant's employment with the Company due to Retirement prior to the Vesting Date, a prorated number of Performance RSUs in an amount equal to (i) the Target number of Performance RSUs granted hereby multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the

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Grant Date to the date of Retirement, and the denominator of which is the number of complete and partial calendar months between the Grant Date and the Vesting Date, such product to be rounded up to the nearest whole number, shall vest on the Vesting Date, subject to adjustment for the achievement of the performance goals outlined herein and as applied to all other Participants; provided, however, that (1) the portion of such prorated, performance-adjusted Performance RSUs that are Transferable RSUs will be settled in accordance with the provisions of Section 5(a) following the Vesting Date, subject to any applicable taxes under Section 8 upon such vesting and settlement, and (2) the remaining portion of such prorated, performance-adjusted Performance RSUs, Holding Period RSUs, will be subject to any applicable taxes under Section 8 upon such normal vesting, and will be non-transferable and subject to a holding period requirement as provided in Section 3, with the effect that such adjusted prorated, performance-adjusted Performance RSUs shall be treated as Holding Period RSUs, and shall be settled under Section 5(b), subject to applicable taxes under Section 8 upon such settlement. As a condition to the vesting provisions of this subsection upon Retirement, the Participant shall enter into a separation agreement with the Company upon Retirement that includes two-year noncompetition and non-solicitation covenants in a form acceptable to the Company. The remaining unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's Retirement.

(c) Upon the termination of the Participant's employment due to the Participant's death or Disability prior to the Vesting Date, a prorated number of Performance RSUs will vest in an amount equal to (i) the Target number of Performance RSUs granted hereby multiplied by (ii) a fraction, the numerator of which is the number of complete and partial calendar months from the Grant Date to the date of death or Disability, and the denominator of which is the number of complete and partial calendar months between the Grant Date and the Vesting Date, such product to be rounded up to the nearest whole number. The prorated number of Performance RSUs shall immediately vest and a number of Common Shares equal to such prorated number of Performance RSUs shall be delivered to the Participant or beneficiary within thirty (30) days following the date of termination, subject to the provisions of Section 8. The remaining unvested portion of the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment for death or Disability.

(d) Upon the termination of a Participant's employment with the Company for any other reason prior to the Vesting Date, the Award shall be immediately forfeited and cancelled without consideration as of the date of the Participant's termination of employment.

(e) Upon the termination of a Participant's employment with the Company for any reason on or after the Vesting Date and before the Delivery Date, any Holding Period RSUs shall remain subject to the provisions of this Agreement until the applicable Delivery Date, except that in the event of a termination for Cause, in which case the Holding Period RSUs (if any) shall be immediately forfeited and cancelled without consideration as of such date.

2. Definitions. Section 23 is hereby amended to add a definition of Retirement as follows:

(f) "*Retirement*" of the Participant shall mean a voluntary separation from service on or after the date when the Participant is both 55 years of age and has ten years of service with the Company.

3. **No Other Amendments.** Except as expressly provided in this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and year first above written.

PARTICIPANT:

Celanese Corporation:

By: _____

<<NAME>>

Executive ID: <<Personnel Number>>

By: _____

Mark C. Rohr

Chairman and Chief Executive Officer

Date: _____

Schedule of Executive Officers

Douglas M. Madden
Jay C. Townsend

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Section 9: EX-31.1 (CEO 302 CERTIFICATION)

Exhibit 31.1

**CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark C. Rohr, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Celanese Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MARK C. ROHR

Mark C. Rohr
*Chairman of the Board of Directors and
Chief Executive Officer*
Date: July 25, 2012

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Section 10: EX-31.2 (CFO 302 CERTIFICATION)

Exhibit 31.2

**CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Steven M. Sterin certify that:

1. I have reviewed this quarterly report on Form 10-Q of Celanese Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ STEVEN M. STERIN

Steven M. Sterin
Senior Vice President and
Chief Financial Officer
Date: July 25, 2012

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Section 11: EX-32.1 (CEO 906 CERTIFICATION)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Celanese Corporation (the "Company") on Form 10-Q for the period ending June 30, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark C. Rohr, Chairman of the Board of Directors and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MARK C. ROHR

Mark C. Rohr
Chairman of the Board of Directors and
Chief Executive Officer
Date: July 25, 2012

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Section 12: EX-32.2 (CFO 906 CERTIFICATION)

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Celanese Corporation (the "Company") on Form 10-Q for the period ending June 30, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Steven M. Sterin, Senior Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ STEVEN M. STERIN

Steven M. Sterin

*Senior Vice President and
Chief Financial Officer*

Date: July 25, 2012

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