

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

_____)	
In the matter of)	
)	
Nestle Holdings, Inc.,)	File No. 011-0083
a corporation, and)	
)	
Ralston Purina Company,)	
a corporation.)	
_____)	

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission (“Commission”), having initiated an investigation of the proposed acquisition by Nestle Holdings, Inc. (“Nestle”), a direct wholly-owned subsidiary of Nestle S.A., of certain assets of Ralston Purina Company (“Ralston Purina”), and it now appearing that Nestle and Ralston Purina, hereinafter sometimes referred to as “Proposed Respondents,” and Nestle S.A. are willing to enter into this Agreement Containing Consent Orders (“Consent Agreement”) to divest certain assets and providing for other relief:

IT IS HEREBY AGREED by and between Proposed Respondents, Nestle S.A., and Childs, by their duly authorized officers and attorneys, and counsel for the Commission that:

1. Proposed Respondent Nestle Holdings, Inc., is a corporation organized, existing, and doing business under and by virtue of the laws of Delaware with its office and principal place of business located at 383 Main Avenue, Norwalk, CT 06851.
2. Nestle S.A. is a corporation organized, existing, and doing business under and by virtue of the laws of Switzerland and, with its principal executive offices located at Avenue Nestle 55, CH-1800 Vevey, Switzerland.
3. Proposed Respondent Ralston Purina is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Missouri with its office and principal place of business located at Checkerboard Square, St. Louis, Missouri 63164.
4. J.W. Childs Associates, Inc., (“Childs”) is a corporation organized, existing, and doing business

under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at One Federal Street, 21st Floor, Boston, Massachusetts 02110 (as of December 17, 2001, the principal place of business will be located at 111 Huntington Avenue, 29th Floor, Boston, Massachusetts 02199).

5. Proposed Respondents, Nestle S.A., and Childs admit all the jurisdictional facts set forth in the draft of Complaint here attached.
6. Proposed Respondents, Nestle S.A., and Childs waive:
 - (a) any further procedural steps;
 - (b) the requirement that the Commission's Decision and Order and Order to Maintain Assets, attached hereto and made a part hereof, contain a statement of findings of fact and conclusions of law;
 - (c) all rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order and Order to Maintain Assets entered pursuant to this Consent Agreement; and
 - (d) any claim under the Equal Access to Justice Act.
7. The Decision and Order and the Order to Maintain Assets attached to this Consent Agreement are incorporated into and made a part of this Consent Agreement. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents or Nestle S.A. that the law has been violated as alleged in the draft of Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
8. Proposed Respondents shall submit within twenty days of the date this Consent Agreement is signed by Proposed Respondents an initial report, pursuant to Commission Rule 2.33, 16 C.F.R. § 2.33, signed by Proposed Respondents, setting forth in detail the manner in which Proposed Respondents have complied, are complying, and will comply with the Decision and Order and Order to Maintain Assets. Such reports will not become part of the public record unless and until the accompanying Consent Agreement, Decision and Order, and Order to Maintain Assets are accepted by the Commission for public comment.
9. If the Commission accepts this Consent Agreement, further proceedings will be governed by Commission Rule 2.34, 16 C.F.R. § 2.34. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If accepted by the Commission, this Consent Agreement, together with the draft of Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and

information in respect thereto publicly released. The Commission may, at any time after it places this Consent Agreement on the public record, issue and serve its (i) Complaint, corresponding in form and substance with the draft of Complaint here attached, and (ii) Order to Maintain Assets, and make information public with respect thereto.

10. At any time after the public comment period has concluded, the Commission may either withdraw its acceptance and so notify the Proposed Respondents, Nestle S.A., and Childs in which event it may take such action as it deems appropriate, or the Commission may, without further notice to the Proposed Respondents, Nestle S.A., or Childs issue and serve its (i) Complaint, if not previously issued, (ii) Decision and Order, and (iii) Order to Maintain Assets, if not previously issued, in disposition of the proceeding, and make information public with respect thereto. The Commission may also amend and serve its previously issued Complaint if the circumstances so require.
11. When final, the Decision and Order and Order to Maintain Assets shall have the same force and effect, and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order and Order to Maintain Assets shall become final upon service. Delivery of the Complaint, Decision and Order, and Order to Maintain Assets to the Proposed Respondents and Childs by any means specified in Commission Rule 4.4(a), 16 C.F.R. § 4.4.(a), shall constitute service. Proposed Respondents and Childs waive any right they may have to any other manner of service. Proposed Respondents and Childs also waive any right they may otherwise have to service of any Appendices incorporated by reference into the Decision and Order or Order to Maintain Assets, and agree that they are bound to comply with and will comply with such orders to the same extent as if they had been served with copies of the Appendices, where Proposed Respondents or Childs are already in possession of copies of such Appendices. The Complaint may be used in construing the terms of the Decision and Order and Order to Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, Order to Maintain Assets, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Order to Maintain Assets.
12. By signing this Consent Agreement, Proposed Respondents, Nestle S.A., and Childs represent and warrant that they can comply with the provisions of the attached Decision and Order and Order to Maintain Assets, and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement, the Decision and Order, and the Order to Maintain Assets are parties to the Consent Agreement.
13. Proposed Respondents, Nestle S.A., and Childs have read the Complaint, Decision and Order, and Order to Maintain Assets contemplated hereby. Proposed Respondents understand that once the Decision and Order and Order to Maintain Assets has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the

Decision and Order and Order to Maintain Assets. Proposed Respondents, Nestle S.A., and Childs agree to comply with the terms of the Decision and Order and Order to Maintain Assets from the date they sign this Consent Agreement. Proposed Respondents, Nestle S.A., and Childs further understand that they may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and Order to Maintain Assets after they become final.

Signed this _____ day of December, 2001.

NESTLE HOLDINGS, INC.

FEDERAL TRADE COMMISSION
BUREAU OF COMPETITION

Joe Weller
Chief Executive Officer and President
Nestle Holdings, Inc.

Jill M. Frumin
Attorney

NESTLE S.A.

James M. Singh
Vice President and Head of
Acquisitions and Mergers
Nestle S.A.

Anthony Low Joseph
Attorney

APPROVED:

Roxann E. Henry, Esq.
Howrey Simon Arnold & White LLP
1299 Pennsylvania Avenue, NW
Washington, D.C. 20004
Counsel for Nestle Holdings, Inc. and Nestle S.A.

Catharine M. Moscatelli
Deputy Assistant Director

RALSTON PURINA COMPANY

W. Patrick McGinnis
President and Chief Executive Officer
Ralston Purina Company

Phillip L. Broyles
Assistant Director

Michael L. Denger, Esq.
Gibson Dunn & Crutcher LLP
1050 Connecticut Avenue, NW
Washington, D.C. 20036
Counsel for Ralston Purina Company

Joseph J. Simons
Director
Bureau of Competition

J.W. CHILDS ASSOCIATES, INC.

John W. Childs
President
J.W. Childs Associates, Inc.

David S. Copeland, Esq.
Kaye Scholer LLP
425 Park Avenue
New York, NY 10022
Counsel for J.W. Childs Associates, Inc.