

7.5 Related Party Transactions

See Chapter 7.2.1 of this Reference Document as well as Note 33 (Transactions with related parties) to the consolidated financial statements appearing in Chapter 6.4.2 below.

In addition, the Special Report of Statutory Auditors on the regulated agreements and undertakings is presented below.

STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS AND COMMITMENTS (YEAR ENDED DECEMBER 31, 2009)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders

In our capacity as statutory auditors of your Company, we hereby present to you our report on the regulated agreements and commitments.

1. Agreements and commitments authorized during the year already approved by the Shareholders' meeting and the execution of which continued during the year

In accordance with article L.225-40 of the French commercial Code (*Code de commerce*) we have been advised of agreements and commitments which have been previously authorised by your Board of Directors. These agreements and commitments, described hereafter, have already been mentioned in our report on March 19th, 2009 and were approved by your Shareholders' meeting of May 20th, 2009.

We are not required to ascertain whether any other agreements or commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements and commitments of which we were notified. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of article R.225-31 of the French Commercial Code, to evaluate the benefits arising from these agreements and commitments prior to their approval.

We performed the procedures we considered necessary in accordance with professional guidance issued by the national institute of auditors (Compagnie nationale des commissaires aux comptes), relating to this engagement. Our work consisted in verifying that the information provided to us is in agreement with the underlying documentation from which it was extracted.

Agreement relating to the mandate of the Chairman and Chief Executive Officer (*Président-Directeur Général*)

Directors concerned by the agreement or commitment : Mr Jean-Pierre Clamadieu

The Board of Directors, on the occasion of the meeting held on March 16, 2009, decided to authorize the conclusion of an agreement with Mr. Clamadieu, providing for a non-compete and non-solicitation clause, as well as certain undertakings and advantages in the context of the performance of his mandate as Chairman and CEO (*Président-Directeur Général*) and, as the case may be, the termination thereof. Such undertakings were formalized by an agreement relating to the mandate of the Chairman and CEO.

This agreement, presented and approved at the May 20, 2009 Shareholders' Meeting, provides for a non-compete and non-solicitation undertaking by Mr Clamadieu for a period of 2 years after the termination of his mandate as Chairman and CEO. As consideration, Rhodia undertakes to pay Mr. Clamadieu, for a period of two years as from the termination of his duties, a quarterly gross compensation of € 220,000. It also provides that Rhodia shall grant Mr. Clamadieu an advantage in kind consisting of a complementary health and life insurance policy. Finally, this agreement confirms the conditions of application of the Supplemental Retirement Plan for officers and directors ("RSD"), of which Mr. Clamadieu is a potential beneficiary; and provides that, in the event of termination of his duties as Chairman & CEO, the rights attached to the share free attribution and subscription or purchase options that Mr. Clamadieu benefit or will benefit from will be maintained.

2. Continuing agreements and commitments which were entered into prior years

Moreover, in accordance with the French Commercial Code, we have been informed of the following agreements and commitments, which were approved during previous years and which were applicable during the period:

2.1. Employment agreement of a Director

Director concerned by the agreement or commitment: Mr Jacques Khélif

According to his employment contract, Mr. Jacques Khélif, Director and Vice President for Sustainable Development of the Rhodia Group, is still receiving a to fix annual compensation amounting to € 200,000.

2.2. Guarantee authorized pursuant to a program of securitization of commercial loans

On December 21st, 2004, Rhodia S.A. and certain of its European subsidiaries concluded a series of contracts with a French bank putting into place a five year program for the securitization of commercial debt, for a maximum financing amount of € 300 million. In particular, Rhodia S.A. committed itself to guarantee the payment of any amount due by its subsidiaries as part of this program.

At December 31, 2009, the amount of financing obtained under this program amounted to approximately € 41 million.

Neuilly-sur-Seine and Paris La Défense, March 11, 2010

Statutory Auditors

PricewaterhouseCoopers Audit

Christian Perrier

KPMG Audit

Division of KPMG S.A.

Denis Marangé