

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **November 2, 2005**

**Huntsman Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-32427**  
(Commission  
File Number)

**42-1648585**  
(IRS Employer  
Identification No.)

**500 Huntsman Way**  
**Salt Lake City, Utah**  
(Address of principal executive offices)

**84108**  
(Zip Code)

Registrant's telephone number, including area code: **(801) 584-5700**

**Not applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01. Entry into a Material Definitive Agreement.**

On November 2, 2005, the board of directors of Huntsman Corporation (the "Company") approved a new compensation structure for the Company's outside directors. The Company's outside directors are Nolan D. Archibald, Marsha J. Evans, H. William Lichtenberger, Richard Michaelson, Wayne A. Reaud and Alvin V. Shoemaker. The terms of the new compensation structure, which will take effect on January 1, 2006, are the following:

- Each outside director will receive an annual cash retainer of \$75,000 (payable in quarterly installments) and an annual restricted stock (or restricted stock-based) award with a value of \$75,000 on the grant date. The annual restricted stock (or restricted stock-based) awards will vest in three equal annual installments beginning on the first anniversary of the grant date.
- Each member of the audit committee will receive an additional annual cash retainer of \$20,000, and each member of the compensation and the nominating and corporate governance committees will receive an additional annual cash retainer of \$10,000.
- The chairperson of the audit committee will receive an annual cash retainer of \$25,000, and the chairpersons of the compensation and the nominating and corporate governance committees will each receive annual cash retainers of \$10,000, in each case in addition to the retainers received for being members of these committees.

The directors may elect to defer any or all of their compensation.

In addition, on November 2, 2005, each of the outside directors was granted a one-time award of 50,000 non-qualified stock options in recognition of the unique obligations associated with being a director of a newly public company. These options have an exercise price of \$19.25 and will vest in three equal annual installments beginning on the first anniversary of the grant date. The form of non-qualified stock option agreement is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit 10.1 Form of Non-qualified Stock Option Agreement for Outside Directors

**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 hereunto

duly authorized.

HUNTSMAN CORPORATION

/s/ Sean Douglas

Sean Douglas

Vice President and Treasurer

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Dated: November 8, 2005

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**INDEX TO EXHIBITS**

**Exhibit Number**

**Description**

10.1	Form of Non-qualified Stock Option Agreement for Outside Directors
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**HUNTSMAN CORPORATION  
STOCK INCENTIVE PLAN**

**Nonqualified Stock Option Agreement**

Grantee:

Date of Grant:

NQO Grant Number:

Exercise Price per Share:

Number of Option Shares Granted:

1. **Notice of Grant.** You are hereby granted an option (“Option”) pursuant to the Huntsman Corporation Stock Incentive Plan (the “Plan”) to purchase the number of shares of Common Stock of Huntsman Corporation (the “Company”) set forth above, subject to the terms and conditions of the Plan and this Agreement. This Option is not intended to be an incentive stock option within the meaning of Section 422 of the Code.

2. **Vesting and Exercise of Option.** Subject to the further provisions of this Agreement, the Option shall become vested and may be exercised in accordance with the following schedule, by written notice to the Company at its principal executive office addressed to the attention of its Secretary (or such other officer or employee of the Company as the Company may designate from time to time):

Anniversary of Date of Grant	Cumulative Vested Percentage
1 <sup>st</sup>	33 <sup>1</sup> / <sub>3</sub> %
2 <sup>nd</sup>	66 <sup>2</sup> / <sub>3</sub> %
3 <sup>rd</sup>	100 %

Notwithstanding the above vesting schedule, and subject to the further provisions of this Agreement, if not already fully vested the Option shall become vested in full immediately prior to a Change of Control (as defined in the Plan, as may be amended from time to time).

If your employment with the Company is terminated for any reason (including without limitation on account of death, disability, or retirement), the Option, to the extent vested on the date of your termination, may be exercised, at any time during the six month period following such termination, by you or by your guardian or legal representative (or by your estate or the person who acquires the Option by will or the laws of descent and distribution or otherwise by reason of the death of you if you die during such period), but in each case only as to the vested number of Option shares, if any, that you were entitled to purchase hereunder as of the date your employment so terminates. All Option shares that are not vested on your termination of employment shall be automatically cancelled and forfeited without payment upon your termination. For purposes of this

Agreement, “employment with the Company” shall include being an employee or a director of, or a consultant to, the Company or an Affiliate.

There is no minimum or maximum number of Option shares that must be purchased upon exercise of the Option. Instead, the Option may be exercised, at any time and from time to time, to purchase any number of Option shares that are then vested according to the provisions of this Agreement.

Notwithstanding any of the foregoing, the Option shall not be exercisable in any event after the expiration of 10 years from the above Date of Grant.

3. **Method of Payment.** Payment of the aggregate Exercise Price for the Share being purchased shall be by any of the following, or a combination thereof, at your election: (a) cash; (b) check; (c) consideration received by the Company under a cashless broker exercise program approved by the Company; or (d) the constructive surrender of other Shares which (i) in the case of Shares acquired upon exercise of an option, have been owned by you for more than six months on the date of surrender, unless waived by the Committee in its discretion, and (ii) have an aggregate Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Shares being purchased.

4. **Nontransferability of Option.** Without the express written consent of the Committee, which may be withheld for any reason in its sole discretion, this Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during your lifetime only by you. The terms of the Plan and this Agreement shall be binding upon your executors, administrators, heirs, successors and assigns.

5. **Entire Agreement; Governing Law.** The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and you with respect to the subject matter hereof, and may not be modified materially adversely to your interest except by means of a writing signed by the Company and you. This Agreement is governed by the internal substantive laws, but not the choice of law rules, of the state of Delaware.

6. **Withholding of Tax.** To the extent that the exercise of the Option results in the receipt of compensation by you with respect to which the Company or a Subsidiary has a tax withholding obligation pursuant to applicable law, unless other arrangements have been made by you that are acceptable to the Company or such Subsidiary, which, with the consent of the Committee, may include withholding a number of Shares that would otherwise be delivered on exercise or vesting that have an aggregate Fair Market Value that does not exceed the amount of taxes to be withheld, you shall deliver to the Company or the Subsidiary such amount of money as the Company or the Subsidiary may require to meet its withholding obligations under such applicable law. No delivery of Shares shall be made pursuant to the exercise of the Option under this Agreement until you have paid or made arrangements approved by the Company or the Subsidiary to satisfy in full the applicable tax withholding requirements of the Company or Subsidiary.

7. **Amendment.** Except as provided below, this Agreement may not be modified in any respect by any oral statement, representation or agreement by any employee, officer, or representative of the Company or by any written agreement which materially adversely affects your rights hereunder unless signed by you and by an officer of the Company who is expressly authorized by the Company to execute such document. This Agreement may, however, be amended as permitted by the terms of the

Plan, as in effect on the date of this Agreement. Notwithstanding anything in the Plan or this Agreement to the contrary, if the Committee determines that the terms of this grant do not, in whole or in part, satisfy the requirements of Section 409A of the Code, the Committee, in its sole discretion, may unilaterally modify this Agreement in such manner as it deems appropriate to comply with such section and any regulations or guidance issued thereunder.

8. General. You agree that this Option is granted under and governed by the terms and conditions of the Plan and this Agreement. In the event of any conflict, the terms of the Plan shall control. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement.

**HUNTSMAN CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**GRANTEE**

\_\_\_\_\_  
Signature