MODINE MANUFACTURING CO
Form 10-Q
November 05, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(Mark One)

[P] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 26, 2007

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-1373

MODINE MANUFACTURING COMPANY
(Exact name of registrant as specified in its charter)

WISCONSIN	39-0482000
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1500 DeKoven Avenue, Racine, Wisconsin (Address of principal executive offices)	53403 (Zip Code)

Registrant's telephone number, including area code (262) 636-1200

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 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 [P] No [ ]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer [P] Accelerated Filer
[ ] Non-accelerated Filer [ ]

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

The number of shares outstanding of the registrant's common stock, $0.625 par value, was 32,673,841 at October 31, 2007.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements.

MODINE MANUFACTURING COMPANY
CONSOLIDATED STATEMENTS OF EARNINGS
For the three and six months ended September 26, 2007 and 2006
(In thousands, except per share amounts)
(Unaudited)

	Three months ended September 26		Six months ended September 26	
	2007	**2006**	**2007**	**2006**
Net sales	$ 431,494	$ 427,583	$ 875,567	$ 849,501
Cost of sales	368,778	359,551	741,881	703,435
Gross profit	62,716	68,032	133,686	146,066
Selling, general, and administrative expenses	55,550	59,200	110,512	112,259
Restructuring (income) charges	(79)	1,375	(319)	1,465
Income from operations	7,245	7,457	23,493	32,342
Interest expense	(2,965)	(2,417)	(5,754)	(4,427)
Other income – net	147	1,411	4,276	2,950
Earnings from continuing operations before income taxes	4,427	6,451	22,015	30,865
(Benefit from) provision for income taxes	(5,503)	657	(311)	4,170
Earnings from continuing operations	9,930	5,794	22,326	26,695
Earnings from discontinued operations (net of income taxes)	132	6,575	386	1,971
Cumulative effect of accounting change (net of income taxes)	-	-	-	70
Net earnings	$ 10,062	$ 12,369	$ 22,712	$ 28,736
Earnings per share of common stock – basic:				
Continuing operations	$ 0.31	$ 0.18	$ 0.70	$ 0.83
Earnings from discontinued operations	-	0.20	0.01	0.06
Cumulative effect of accounting change	-	-	-	-
Net earnings – basic	$ 0.31	$ 0.38	$ 0.71	$ 0.89

Earnings per share of common stock – diluted:				
Continuing operations	$ 0.31	$ 0.18	$ 0.69	$ 0.83
Earnings from discontinued operations	-	0.20	0.01	0.06
Cumulative effect of accounting change	-	-	-	-
Net earnings – diluted	$ 0.31	$ 0.38	$ 0.70	$ 0.89
Dividends per share	$ 0.175	$ 0.175	$ 0.350	$ 0.350

to pay the principal of, premium, if any, and interest and additional interest, if any, on the debt securities when due;

to maintain a place of payment;

to file reports with the SEC;

to deliver a certificate to the trustee each fiscal year reviewing our compliance with our obligations under the indentures; and

to preserve our corporate existence.

Merger, Consolidation, or Sale of Assets

Each of the indentures provides that Quaker may not, in a single transaction or a series of related transactions, consolidate or merge with or into any person, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of Quaker and its subsidiaries, taken as a whole, to any person or adopt a plan of liquidation unless:

(1) either

(a) in the case of a consolidation or merger, Quaker, or any successor thereto, is the surviving or continuing corporation, or

(b) the person (if other than Quaker, or any successor thereto) formed by such consolidation or into which Quaker is merged or the person which acquires by sale, assignment, transfer, lease, conveyance or other disposition of the properties and assets of Quaker and its subsidiaries, taken as a whole, or in the case of a plan of liquidation, the person to which assets of Quaker and its subsidiaries have been transferred (i) shall be a corporation or other entity organized and validly existing under the laws of the United States or any state thereof or the District of Columbia; provided, that if the successor is an entity other than a corporation, the debt securities shall be co-issued or assumed on a co-issuer basis by a corporation organized and validly existing under the laws of the United States or any state thereof or the District of Columbia; and (ii) shall expressly assume, by supplemental indenture (in form and substance satisfactory to the trustee), executed and delivered to the trustee, the due and punctual payment of the principal of, and premium, if any, and interest on all of the debt securities and the performance of every covenant of the debt securities and the indenture on the part of Quaker to be performed or observed;

(2) immediately before and immediately after giving effect to such transaction and the assumption contemplated by clause (1)(b)(ii) above no default and no event of default shall have occurred or be continuing; and

(3) Quaker or such other person shall have delivered to the trustee an officers certificate and an opinion of counsel, each stating that such consolidation, merger, sale, assignment, transfer, lease, conveyance, other disposition or plan of liquidation and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the applicable provisions of the applicable indenture and that all conditions precedent in the applicable indenture relating to such transaction have been satisfied.

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Notwithstanding the provisions under this heading above:

(1) any subsidiary may consolidate with, or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets to Quaker or to another subsidiary; and

(2) Quaker or any subsidiary may consolidate with or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets to any person if such transaction is solely for the purpose of effecting a change in the state of incorporation or form of organization of Quaker or such subsidiary.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties and assets of one or more subsidiaries of Quaker, the capital stock of which constitutes all or substantially all of the properties and assets of Quaker, shall be deemed to be the transfer of all or substantially all of the properties and assets of Quaker.

As used in the applicable indenture and in this description, the word person means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization, or government agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of such entity, subdivision or business).

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of Quaker in a transaction that is subject to, and that complies with the foregoing, the successor person formed by such consolidation or into or with which Quaker is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of the applicable indenture referring to Quaker shall refer instead to the successor person and not to Quaker), and may exercise every right and power of Quaker under the applicable indenture with the same effect as if such successor person had been named as Quaker in the indenture; and thereafter the predecessor Quaker shall be relieved from the obligation to pay the principal of and interest on the debt securities and from any further obligation under the applicable indenture.

Events of Default and Remedies

Each indenture provides that each of the following constitutes an event of default with respect to debt securities of any series:

(1) default for 30 days in the payment when due of interest on the debt securities of such series;

(2) default in payment of the principal of or premium, if any, on the debt securities of such series when due and payable, at maturity, upon acceleration, redemption or otherwise;

(3) failure to comply with any of our other agreements in the applicable indenture (other than an agreement that has been included in the applicable indenture solely for the benefit of a series of debt securities other than such series) or the debt securities of such series for 60 days after written notice to us by the trustee or by holders of not less than 25% in aggregate principal amount of debt securities of such series then outstanding voting as a single class;

(4) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by Quaker or any subsidiary of Quaker (or the payment of which is guaranteed by Quaker or any subsidiary of Quaker) whether such indebtedness or guarantee now exists, or is created after the such series of debt securities was first issued, which default:

(a) is caused by a failure to pay principal of or premium, if any, or interest, if any, on such indebtedness prior to the expiration of the grace period provided in such indebtedness on the date of such default, or

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(b) results in the acceleration of such indebtedness prior to its express maturity

and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a payment default as described above or the maturity of which has been so accelerated, aggregates $10 million or more;

(5) failure by Quaker or any subsidiary of Quaker to pay final judgments aggregating in excess of $10 million, net of any amounts reasonably expected to be covered by insurance, which judgments are not paid, discharged or stayed for a period of 60 days after such judgment or judgments become final and non-appealable; and

(6) certain events of bankruptcy or insolvency with respect to Quaker.

If an event of default with respect to the debt securities of any series (other than an event of default with respect to certain events of bankruptcy, insolvency or reorganization) occurs and is continuing, then and in every such case, the trustee or the holders of not less than 25% in aggregate principal amount of the then outstanding debt securities of such series may declare the principal amount, together with any accrued and unpaid interest and premium on all the debt securities of such series then outstanding to be due and payable, by a notice in writing to us (and to the trustee, if given by holders) specifying the event of default and that it is a notice of acceleration and on the fifth business day after delivery of such notice the principal amount, in either case, together with any accrued and unpaid interest and premium and additional interest, if any, on all debt securities of such series then outstanding will become immediately due and payable, notwithstanding anything contained in the indenture or the debt securities of such series to the contrary. Upon the occurrence of specified events of default relating to bankruptcy, insolvency or reorganization with respect to Quaker, the principal amount, together with any accrued and unpaid interest and premium and additional interest, if any, will immediately and automatically become due and payable, without the necessity of notice or any other action by any person.

Notwithstanding any other provision of the applicable indenture, the sole remedy for an event of default relating to the failure to comply with the SEC reporting covenant described above, and for any failure to comply with the requirements of Section 314(a) of the TIA, will for the 365 days after the occurrence of such an event of default consist exclusively of the right to receive additional interest on the principal amount of the debt securities of such series at a rate equal to 0.25% per annum. This additional interest will be payable in the same manner and subject to the same terms as other interest payable under the applicable indenture. The additional interest will accrue on all outstanding debt securities of such series from and including the date on which an event of default relating to a failure to comply with the SEC reporting covenant described above or Section 314(a) of the TIA first occurs to but not excluding the 365th day thereafter (or such earlier date on which the event of default relating to the reporting covenant described above or Section 314(a) of the TIA shall have been cured or waived). On such 365th day (or earlier, if the event of default relating to such reporting obligations is cured or waived prior to such 365th day), such additional interest will cease to accrue and the debt securities of such series will be subject to the other remedies as provided under the heading of Events of Default and Remedies if the event of default is continuing.

The holders of a majority in aggregate principal amount of the debt securities of such series then outstanding by notice to the trustee may on behalf of the holders of all of the debt securities of such series rescind an acceleration or waive any existing default or event of default with respect to the debt securities of such series and its consequences under the applicable indenture except a continuing default or event of default in the payment of principal of, premium, if any, or interest on the debt securities of such series. The waiver by the holders of any indebtedness described in clause (4) of the first paragraph of Events of Default and Remedies above of the predicating default under such indebtedness shall be deemed a waiver of such default or event of default arising under, and a rescission of any acceleration resulting from the application of such clause (4), from the effective date, during the effective period and to the extent of, the waiver by the holders of such other indebtedness.

No Personal Liability of Directors, Officers, Employees and Shareholders

No past, present or future director, officer, employee, agent, manager, partner, member, incorporator or shareholder of Quaker, in such capacity, will have any liability for any obligations of Quaker under any series of debt securities, the applicable indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of debt securities of such series by accepting a debt security waives and releases all such liability. The waiver and release are part of the consideration for issuance of the debt securities of such series. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the SEC that such a waiver is against public policy.

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Payment Agent and Registrar

The trustee will initially act as paying agent and registrar for the debt securities. We may change any paying agent or registrar without notice to any holder of the debt securities.

Conversion Rights

If debt securities of any series are convertible into common stock or other securities or property, the related prospectus supplement will discuss the conversion terms. Those terms will include provisions as to whether the conversion is mandatory or at the option of the holder and may also include provisions for calculating the number of shares of common stock or other securities or property to be delivered upon conversion.

Transfer and Exchange

A holder may transfer or exchange debt securities in accordance with the applicable indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents and we may require a holder to pay any taxes and fees required by law or permitted by the applicable indenture. We are not required to transfer or exchange any debt security selected for redemption. Also, we are not required to transfer or exchange any debt security of a particular series for a period of 15 days before a selection of debt securities of such series to be redeemed. The registered holder of a debt security will be treated as the owner of such debt security for all purposes.

Amendment, Supplement and Waiver

Except as provided in the next three succeeding paragraphs, the applicable indenture (including, without limitation, any provisions relating to any mandatory offer by Quaker to purchase or repurchase any debt securities and the defined terms used therein) and the debt securities issued thereunder may be amended or supplemented, with respect to a particular series of debt securities affected by such amendment or supplement, with the consent of the holders of at least a majority in aggregate principal amount then outstanding of such series of debt securities voting as a separate class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, such series of debt securities), and, subject to certain exceptions, any existing default or compliance with any provision of the applicable indenture or the debt securities may be waived with respect to a particular series of debt securities with the consent of the holders of a majority in principal amount of the then outstanding debt securities of each such series voting as a separate class (including consents obtained in connection with a tender offer or exchange offer for such series of debt securities).

Without the consent of each holder affected, an amendment or waiver may not (with respect to any debt securities held by a non-consenting holder):

(1) reduce the principal amount of debt securities of any series whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any debt security or alter the provisions with respect to the redemption of any series of debt securities; *provided, however,* that any provision providing for the purchase or repurchase of debt securities shall not be deemed to be a provision with respect to a redemption of the debt securities;

(3) reduce the rate of or change the time for payment of interest on any debt security;

(4) waive a default or event of default in the payment of principal of or premium, if any, or interest on any series of debt securities (except a rescission of acceleration of the debt securities of a series by the holders of at least a majority in aggregate principal amount of the then outstanding debt securities of such series and a waiver of the payment default that resulted from such acceleration);

(5) make any debt security payable in a currency other than that stated in the debt securities;

(6) make any change in the provisions of the applicable indenture relating to waivers of past defaults or the rights of holders of debt securities to receive payments of principal of or premium, if any, or interest on the debt securities;

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(7) waive a redemption payment with respect to any debt security; *provided, however,* that any purchase or repurchase of debt securities shall not be deemed a redemption of the debt securities; or

(8) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the foregoing, without notice to or the consent of any holder of debt securities of one or more series, we and the trustee may amend or supplement the applicable indenture or the debt securities:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated debt securities in addition to or in place of certificated debt securities;

(3) to provide for the assumption of our obligations to holders of debt securities in the case of a merger or consolidation;

(4) to make any change that would provide any additional rights or benefits to the holders of all or any series of debt securities (and if such covenants are for the benefit of less than all series of debt securities, stating that such additional rights or benefits are expressly being included solely for the benefit of such series) or that does not adversely affect the legal rights under the applicable indenture of any such holder;

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of the indenture under the TIA;

(6) to conform the text of the applicable indenture or the debt securities of any series to any provision of the Description of Notes section of any prospectus or prospectus supplement or other offering document or similarly named section thereof, relating to the initial offering of such series of Notes, to the extent that such provision in that Description of Notes section of any prospectus or prospectus supplement or other offering document or similarly named section thereof was intended to be a verbatim recitation of a provision of the applicable indenture or the debt securities of such series;

(7) to provide for the issuance of additional debt securities of any series of debt securities (including any additional or different restrictions on transfer or exchange of such additional debt securities, including without limitation those that would be appropriate if the additional debt securities were issued in a transaction exempt from registration under the Securities Act) in accordance with the limitations set forth in the applicable indenture prior to such issuance of additional debt securities;

(8) to secure the debt securities of any series;

(9) to add to our covenants for the benefit of the holders of all or any series of debt securities (and if such covenants are to be for the benefit of less than all series of debt securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power conferred upon us;

(10) to establish the form or terms of debt securities of any series as permitted by the applicable indenture;

(11) to evidence and provide for the acceptance of appointment under the indenture by a successor trustee with respect to the debt securities of one or more series and to add to or change any of the provisions of the applicable indenture as shall be necessary to provide for or facilitate the administration of the trusts under the indenture by more than one trustee, pursuant to the requirements of the applicable indenture; or

(12) to add to, change or eliminate any of the provisions of the applicable indenture in respect of one or more series of debt securities, provided that any such addition, change or elimination (i) shall neither (A) apply to any debt security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (B) modify the rights of the holder of any such debt security with respect to such provision or (ii) shall become effective only when there is no debt security described in clause (i) outstanding.

A supplemental indenture that changes or eliminates any covenant or other provision of the applicable indenture which has expressly been included solely for the benefit of one or more particular series of debt securities, or that modifies the rights of the holders of debt securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under the applicable indenture of the holders of debt securities of any other series. A supplemental indenture that changes or eliminates any covenant or other provision of the indenture with respect to one or more particular series of debt securities (whether or not such covenant or other provision has expressly been included solely for the benefit of such series of debt securities), or that modifies the rights of the holders of debt securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under the applicable indenture of the holders of debt securities of any other

series.

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In addition, any waiver or amendment to the provisions of the article of the applicable indenture that governs subordination, if applicable, will require the consent of the holders of at least 66 2/3% in aggregate principal amount then outstanding of a series of debt securities affected by such waiver or amendment voting as a separate class, if such amendment would adversely affect the rights of holders of debt securities of such series.

Legal Defeasance and Covenant Defeasance

Each indenture provides that we may, at our option and at any time, elect to have all of our obligations discharged with respect to the outstanding debt securities of any series (*Legal Defeasance*) except for:

(1) the rights of holders of outstanding debt securities of such series to receive payments in respect of the principal of, premium, if any, and interest on such debt securities of such series when such payments are due from the trust referred to below;

(2) our obligations with respect to the debt securities of such series concerning issuing temporary debt securities of such series, registration of debt securities of such series, mutilated, destroyed, lost or stolen debt securities of such series and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the trustee, and our obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance (as defined below) provisions of the applicable indenture.

In addition, we may, at our option and at any time, elect to have our obligations released with respect to certain covenants in the applicable indenture, including certain provisions described in any prospectus supplement (such release being referred to as *Covenant Defeasance*) and thereafter any omission to comply with those covenants shall not constitute a default or event of default with respect to the debt securities of such series. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under Events of Default and Remedies will no longer constitute an event of default with respect to the debt securities of such series.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to a series of debt securities:

(1) we must irrevocably deposit with the trustee, in trust, for the benefit of the holders of the debt securities of such series, cash in U.S. dollars, non-callable government securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the outstanding debt securities of such series on the stated maturity or on the applicable redemption date, as the case may be, and we must specify whether such debt securities are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, we shall have delivered to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that:

(a) we have received from, or there has been published by, the Internal Revenue Service a ruling, or

(b) since the date of the applicable indenture, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders of the outstanding debt securities of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

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(3) in the case of Covenant Defeasance, we shall have delivered to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that the holders of the outstanding debt securities of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no default or event of default with respect to such series of debt securities shall have occurred and be continuing either:

(a) on the date of such deposit (other than a default or event of default resulting from transactions occurring contemporaneously with the borrowing of funds, or the borrowing of funds, to be applied to such deposit); or

(b) insofar as the occurrence of events of default resulting from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit (in which case such defeasance shall have been effective on the date of deposit until the time of such occurrence, and upon such occurrence, shall immediately cease to be effective);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the applicable indenture) to which we are a party or by which we are bound;

(6) we must deliver to the trustee an officers certificate stating that the deposit was not made by us with the intent of preferring the holders of debt securities of such series over the other creditors of ours or with the intent of defeating, hindering, delaying or defrauding creditors of ours or others; and

(7) we must deliver to the trustee an officers certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Satisfaction and Discharge

Each of the indentures will be discharged and will cease to be of further effect as to all debt securities of a particular series issued thereunder, when:

(1) either:

(a) all debt securities of such series that have been authenticated, except lost, stolen or destroyed debt securities of such series that have been replaced or paid and debt securities of such series for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the trustee for cancellation; or

(b) all debt securities of such series that have not been delivered to the trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption (and all conditions to such redemption having been satisfied or waived) or otherwise or will become due and payable within one year and we have irrevocably deposited or caused to be deposited with the trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, non-callable government securities, or a combination of cash in U.S. dollars and non-callable government securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the debt securities of such series not delivered to the trustee for cancellation for principal, premium and accrued interest to the date of maturity or redemption;

(2) no default or event of default with respect to such series of debt securities has occurred and is continuing on the date of the deposit (other than a default or event of default with respect to such series of debt securities resulting from transactions occurring contemporaneously with the borrowing of funds, or the borrowing of funds, to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which we are a party or by which we are bound;

(3) We have paid or caused to be paid all sums payable by us under the applicable indenture as they relate to such series of debt securities; and

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(4) We have delivered irrevocable instructions to the trustee under the applicable indenture to apply the deposited money toward the payment of the securities of such series at maturity or on the redemption date, as the case may be.

In addition, we must deliver an officers certificate and an opinion of counsel to the trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Upon compliance with the foregoing, the trustee shall execute proper instrument(s) acknowledging the satisfaction and discharge of all of our obligations under the debt securities and the applicable indenture.

Concerning the Trustee

Each of the indentures contains certain limitations on the rights of the trustee, should it become a creditor of ours, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue in certain circumstances or resign. The holders of a majority in principal amount of the then outstanding debt securities of a particular series will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee with respect to debt securities of such series, subject to certain exceptions. Each of the indentures provides that in case an event of default shall occur (which shall not be cured), the trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. However, the trustee will be under no obligation to exercise any of its rights or powers under the applicable indenture at the request of any holder of debt securities of such series, unless such holder shall have offered to the trustee security and indemnity satisfactory to it against any loss, liability or expense.

The trustee may serve as trustee under one or more of the indentures governing other debt securities of ours.

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DESCRIPTION OF PREFERRED STOCK

When we refer to Quaker, we, us, or our in this section of the prospectus or when we otherwise refer to ourselves in this section of the prospectus, we mean only Quaker Chemical Corporation and not any of our subsidiaries or associated companies.

Our articles of incorporation permits us to issue, without prior permission from our shareholders, up to 10,000,000 shares of our $1 par value preferred stock. No shares of our preferred stock are currently issued or outstanding. However, see the discussion in this prospectus under the heading Description of Common Stock regarding our shareholder rights plan pursuant to which shares of Class B preferred stock may be issued under certain circumstances.

Our board of directors may, without further action of the shareholders, issue undesignated preferred stock in one or more classes or series, with the number of shares of each series and the rights, preferences and limitations of each series to be determined by it. Any undesignated preferred stock issued by us may:

- rank prior to our common stock as to dividend rights, liquidation preference or both;
- have full or limited voting rights; and
- be convertible into shares of common stock or other securities.

We will describe in a supplement to this prospectus the specific terms of a particular series of preferred stock being offered. These terms may include some or all of the following:

- the maximum number of shares in the series;
- the designation of the series;
- the number of shares we are offering;
- any liquidation preference per share;
- the initial offering price per share;
- any voting rights of the series;
- any dividend rights and the specific terms relating to these dividend rights, including the applicable dividend rate, if any, on the shares of such series, the conditions and dates upon which such dividends will be payable, the preference or relation which such dividends will bear to the dividends payable on any other class or classes or on any other series of capital stock, and whether such dividends will be cumulative or non-cumulative;

our right, if any, to defer payment of dividends and the maximum length of any such deferral period;

whether the shares of such series will be redeemable and, if so, the times, prices and other terms and conditions of such redemption;

the relative ranking and the rights of the holders of shares of such series as to dividends and upon the liquidation, dissolution or winding up of our company;

whether or not the shares of such series will be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the shares of such series for retirement or to other corporate purposes and the terms and provisions relative to the operation thereof;

whether or not the shares of such series shall be convertible into, or exchangeable for, (a) our debt securities, (b) shares of any other class or classes of stock of our company, or of any other series of the same or different class of stock, or (c) shares of any class or series of stock of any other corporation, and if so convertible or exchangeable, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

while any shares of such series are outstanding, the limitations and restrictions, if any, upon the payment of dividends or making of other distributions on, and upon the purchase, redemption or other acquisition by our company of, our common stock, or any other class or classes of stock of our company ranking junior to the shares of such series either as to dividends or upon liquidation;

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the conditions or restrictions, if any, upon the creation of indebtedness of our company or upon the issue of any additional stock, including additional shares of such series or of any other series or of any other class, ranking on a parity with or prior to the shares of such series as to dividends or distribution of assets on liquidation, dissolution or winding up;

whether fractional interests in shares of the series will be offered in the form of depositary shares as described below under Description of Depositary Shares;

restrictions on transfer, sale or other assignment, if any;

any other preference or provision and relative, participating, optional or other special rights or qualifications, limitations or restrictions thereof; and

our ability to modify the rights of holders otherwise than by a vote of a majority or more of the series outstanding.

The preferred stock will, when issued, be fully paid and non-assessable.

Any issuance of shares of preferred stock, or the issuance of rights to purchase preferred shares, may have the effect of delaying, deferring or preventing a change of control in our company or an unsolicited acquisition proposal. For a description of the provisions of our articles of incorporation and bylaws that could have an effect of delaying, deferring or preventing a change in control of our company and that would operate only with respect to an extraordinary corporate transaction involving us (or any of our subsidiaries), see the description in this prospectus under the heading Certain Provisions of our Articles of Incorporation, Bylaws and Statutes.

The issuance of preferred stock also could decrease the amount of earnings and assets available for distribution to the holders of common stock or could adversely affect the rights and powers, including voting rights, of the holders of common stock.

DESCRIPTION OF DEPOSITARY SHARES

We may, at our option, elect to offer fractional shares of preferred stock rather than full shares of preferred stock. In the event we exercise this option, we will issue receipts for depositary shares, each of which will represent a fraction, to be described in an applicable prospectus supplement, of a share of a particular series of preferred stock. The preferred stock represented by depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable preferred stock or fraction thereof represented by the depositary share, to all of the rights and preferences of the preferred stock represented thereby, including any dividend, voting, redemption, conversion or liquidation rights. For an additional description of our preferred stock, see the description in this prospectus under the headings Description of Preferred Stock.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. The particular terms of the depositary shares offered by any prospectus supplement will be described in the prospectus supplement, which will also include a discussion of certain U.S. federal income tax consequences.

A copy of the form of deposit agreement, including the form of depositary receipt, will be filed as an exhibit to the reports we file with the SEC which will be incorporated by reference into the registration statement of which this prospectus is a part.

DESCRIPTION OF COMMON STOCK

When we refer to Quaker, the company, we, us, or our in this section of the prospectus or when we otherwise refer to ourselves in this sectio the prospectus, we mean only Quaker Chemical Corporation and not any of our subsidiaries or associated companies.

Our authorized common stock consists of 30,000,000 shares of common stock, par value $1.00 per share. As of January 8, 2010, 11,087,630 shares of common stock were issued and outstanding and held of record by approximately 1,063 shareholders. The following description of our common stock and provisions of our articles of incorporation and bylaws are only

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summaries, and we encourage you to review complete copies of our articles of incorporation and bylaws, which we have previously filed with the SEC. For more information regarding the common stock which may be offered by this prospectus, please refer to the applicable prospectus supplement, other offering material, and our articles of incorporation and the resolution of our board of directors establishing and designating Series B Preferred Stock as a series of our preferred stock, which are incorporated by reference as exhibits to the registration statement of which this prospectus forms a part, and, if applicable, any additional resolution(s) of our board of directors establishing and designating any additional series of our preferred stock, which will be filed with the SEC as an exhibit to or incorporated by reference into the registration statement on or about the time of issuance of that series of preferred stock.

Each holder of shares of our common stock that have been owned beneficially by that holder for a period of at least 36 consecutive calendar months, dating from the first day of the first full calendar month on or after the date the holder acquired beneficial ownership of the shares (the 36 Month Holding Period) is entitled to 10 votes for each such share, so long as the holder continues to beneficially own those shares. Each holder of shares of our common stock that the holder has owned beneficially for less than the 36 Month Holding Period is entitled to only one vote for each such share until the holder has beneficially owned them for the 36 Month Holding Period. Each change in beneficial ownership with respect to a particular share begins a new 1 vote holding period for that share. A change in beneficial ownership of shares occurs whenever any change occurs in the person or group of persons having or sharing the voting and/or investment power with respect to such shares within the meaning of Rule 13d-3 of the General Rules and Regulations under the Securities Exchange Act of 1934. A share of our common stock held of record on a record date is presumed to be owned beneficially by the record holder and for the period shown by our shareholder records. A share of our common stock held of record in street or nominee name by a broker, clearing agency, voting trustee, bank, trust company, or other nominee is presumed to have been held for a period of less than the 36 Month Holding Period. A shareholder desiring to rebut this presumption is required to complete and execute an affidavit which is available from Quaker upon request. Evidence, in the form of a trade confirmation or account statement indicating ownership throughout the 36 Month Holding Period, is also required. Nevertheless, the company, at its sole discretion, determines the adequacy of the evidence presented. Under our voting provisions, no change in beneficial ownership is deemed to have occurred solely as a result of any of the following:

- a transfer by any gift, devise, bequest, or otherwise through the laws of inheritance or descent;
- a transfer by a trustee to a trust beneficiary under the terms of the trust;
- the appointment of a successor trustee, guardian, or custodian with respect to a share; or
- a transfer of record or a transfer of a beneficial interest in a share where the circumstances surrounding such transfer clearly demonstrate that no material change in beneficial ownership has occurred.

Except as otherwise required by law or provided in any resolution adopted by our board of directors with respect to any series of preferred stock, the holders of the common stock exclusively possess all voting power.

Subject to any preferential rights of any outstanding series of preferred stock designated by the board of directors from time to time, the holders of the common stock are entitled to dividends to the extent permitted by law, and upon a voluntary or involuntary liquidation, dissolution, distribution of assets on winding up of the company are entitled to receive pro rata all of our assets available for distribution to such holders after distribution in full of any preferential amount to be distributed to holders of shares of preferred stock. All outstanding shares of the common stock are validly issued, fully paid and nonassessable. The common stock has no preemptive or conversion rights or other subscription rights and there are no sinking fund or redemption provisions applicable to the common stock. For a description of the provisions of our articles of incorporation and bylaws that could have an effect of delaying, deferring or preventing a change in control of Quaker, see the description in this prospectus under the heading Certain Provisions of our Articles of Incorporation, Bylaws and Statutes.

For information concerning the associated rights included with our common stock under our rights agreement dated as of March 6, 2000 (the Rights Agreement), see Shareholder Rights Plan, below. The Rights Agreement and the rights thereunder will expire on March 20, 2010, unless earlier terminated by the company. In the event that we adopt a new shareholder rights plan or similar plan that involves the distribution to our shareholders of rights under the new plan, any common stock we offer would also include any associated rights under the new plan, subject to the terms and conditions of that plan.

The rights and privileges of our common stock may be subordinate to the rights and preferences of any of our preferred stock.

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Our common stock is traded on the New York Stock Exchange under the symbol KWR.

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC.

Shareholder Rights Plan

On March 6, 2000, pursuant to our Rights Agreement, our board of directors authorized and declared a dividend distribution of one right (Right) for each share of our common stock outstanding at the close of business on March 6, 2000 (the Record Date) and authorized the issuance of one Right for each share of our common stock issued between the Record Date and the Distribution Date, as defined.

Until the earlier to occur of (i) a public announcement that, without the prior consent of our board, a person (other than certain excluded persons) or group of affiliated or associated persons (an Acquiring Person) has acquired beneficial ownership of 20% or more of our outstanding common stock (or an additional 5% or more of our outstanding common stock in the case of any Acquiring Person who beneficially owns 20% or more of our outstanding common stock as of the Record Date) or (ii) 10 business days (or such later date as may be determined by action of our board prior to such time as any person becomes an Acquiring Person) following the commencement of, or announcement of an intention to make, a tender offer or exchange offer (which has not been determined by the board to be in the best interests of the company and its shareholders) the consummation of which would result in the beneficial ownership by a person or group of 20% or more of our outstanding common stock (the earlier of such dates being called the Distribution Date), the Rights will be evidenced solely by the certificates for the common stock registered in the names of the holders of the common stock and not by separate certificates.

Until the Distribution Date, the transfer of any certificates for common stock will also constitute the transfer of the Rights associated with the common stock represented by such certificates. Should the company purchase or acquire any shares of our common stock after the Record Date, but prior to the Distribution Date, any Rights associated with those shares will be deemed cancelled and retired. As soon as practicable after the Distribution Date, certificates evidencing the Rights will be mailed to holders of record of the common stock as of the close of business on the Distribution Date.

The Rights may be exercised in whole or in part after the Distribution Date upon surrender of the Rights certificate, but before the earlier of (i) March 20, 2010 (the Final Expiration Date) or (ii) the time at which the Rights are redeemed or terminated by the company (the earlier of such dates being called the Expiration Date). Until a Right is exercised, the Rights holder as such, will have no rights as a shareholder of the company, including without limitation, the right to vote or to receive dividends.

Initially, each Right entitles the registered holder to purchase from the company one one-hundredth of a share of Series B preferred stock, par value $.01 per share, at a price of $65.00 per one one-hundredth of a share. The purchase price and the number and kind of preferred shares or capital stock are subject to adjustment from time to time to prevent dilution in the event (i) of a stock dividend on any security of the company payable in preferred shares, (ii) of a subdivision, combination or reclassification of the preferred stock, (iii) the company fixes a record date for the issuance of rights, options or warrants to holders of any security of the company entitling them to subscribe for or purchase preferred shares at a price, or securities convertible into preferred shares with a conversion price, less than the then current market price of the preferred shares, or (iv) the company fixes a record date for a distribution to all holders of preferred shares of evidences of indebtedness, cash or assets (excluding regular periodic cash dividends paid out of earnings or retained earnings or dividends payable on preferred shares) or subscription rights or warrants (other than those in (iii), above).

The Series B preferred stock purchasable upon the exercise of the Rights will be nonredeemable and junior to any other series of preferred stock the company may issue (unless otherwise provided in the terms of such stock). Each share of Series B preferred stock will be entitled to a preferred dividend equal to 100 times any dividend declared on the common stock. In the event of liquidation, the holders of Series B preferred stock will receive a preferred liquidation payment equal to $1.00 per share of Series B preferred stock, plus an amount equal to accrued and unpaid dividends and distributions thereon. After the holders of common stock receive a distribution equal to the preferred liquidation payment, the holders of the Series B preferred stock and the holders of the common stock share ratably in all further liquidation distributions. Each share of Series B preferred stock will have 100 votes, voting together with the common stock. In the event of a merger, consolidation or other transaction in which the company s common stock is exchanged, each share of Series B preferred stock will be entitled to receive 100 times the amount and type of consideration received

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per share of common stock. The rights of the Series B preferred stock as to dividends, liquidation and voting, and in the event of mergers and consolidations, are protected by customary anti-dilution provisions. The company will make the appropriate rounding adjustments so that Rights certificates representing only whole numbers of Rights are distributed and cash is paid in lieu of any fractional Rights.

In the event that any person becomes an Acquiring Person, each Right beneficially owned by the Acquiring Person becomes null and void. In the event that a person becomes an Acquiring Person, or the company is the surviving corporation in a merger with an Acquiring Person, or an Acquiring Person engages in one or more self-dealing transactions with the company, as set forth in the Rights Agreement, or during such time as there is an Acquiring Person an event occurs which results in such Acquiring Person s ownership interest being increased by more than 1% (e.g., by means of a recapitalization), then, in each such case each holder of a Right (other than the Acquiring Person) will thereafter have the right to receive upon exercise of the Right and payment of the then current purchase price that number of one one-hundredths of a share of Series B preferred stock having a market value of two times that purchase price.

In the event that, after the Distribution Date, the company is acquired in a merger or other business combination transaction or 50% or more of its consolidated assets or earning power are sold, proper provision will be made so that each holder of a Right will thereafter have the right to receive, upon the exercise thereof at the then current purchase price of the Right, that number of shares of common stock of the acquiring company which at the time of such transaction will have a market value of that purchase price.

At any time after the acquisition by a person or group of affiliated or associated persons of beneficial ownership of 20% or more of our outstanding common stock and prior to the acquisition by such person or group of 50% or more of our outstanding common stock, our board may exchange the Rights (other than Rights owned by such person or group which have become void), in whole or in part, at an exchange ratio of one one-hundredth of a share of Series B preferred stock or one share of our common stock per Right (subject to adjustment).

At any time prior to 10 days after the first public announcement that there is an Acquiring Person, our board may redeem the Rights in whole, but not in part, at a price of $.01 per right (the Redemption Price). The redemption of the Rights may be made effective at such time, on such basis and with such conditions as the board in its sole discretion may establish. Immediately upon any redemption of the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

The terms of the Rights may be amended by the board without the consent of the holders of the Rights, except that from and after such time as any person becomes an Acquiring Person no such amendment may adversely affect the interests of the holders of the Rights (other than the Acquiring Person).

A copy of the Rights Agreement is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part, and the foregoing summary description of the Rights is qualified in its entirety by reference to the Rights Agreement.

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DESCRIPTION OF WARRANTS

We may issue warrants for the purchase of our common stock, preferred stock, depositary shares and/or debt securities in one or more series. Warrants may be issued independently or together with any common stock, preferred stock, depositary shares and/or debt securities offered by any prospectus supplement and may be attached to or separate from those securities. Each warrant will entitle the holder to purchase for cash a number of shares of common stock, preferred stock or depositary shares and/or the principal amount of debt securities at the exercise price as will in each case be described in, or can be determined from, the applicable prospectus supplement relating to the offered warrants. Each series of warrants will be issued under separate warrant agreements to be entered into between us and a bank or trust company, as warrant agent. You should read the particular terms of the warrants, which will be described in more detail in the applicable prospectus supplement. The particular terms of any warrants offered by any prospectus supplement, and the extent to which the general provisions summarized below may apply to the offered securities, will be described in the prospectus supplement.

As of November 23, 2009, there were no warrants outstanding to purchase our securities.

The applicable prospectus supplement will describe the terms of the warrants we offer, the warrant agreement relating to the warrants and the certificates representing the warrants, including, to the extent applicable:

- the title and aggregate number of the warrants;
- the offering price;
- the currency or currencies, including composite currencies or currency units, in which the price of the warrants may be payable;
- the number of shares of common stock or preferred stock or depositary shares purchasable upon the exercise of a warrant;
- the exercise price or manner of determining the exercise price, the manner in which the exercise price may be paid, including the currency or currency units in which the price may be payable, and any minimum number of warrants exercisable at one time;
- if warrants for purchase of debt securities are offered, the principal amount of the series of debt securities that can be purchased if a holder exercises a warrant and the price at which and currencies in which such principal amount may be purchased upon exercise;
- if warrants for the purchase of common stock, preferred stock or depositary shares are offered, the total number of shares that can be purchased if a holder of the warrants exercises them and, in the case of warrants for preferred stock or depositary shares, the designation, total number and terms of the series of preferred stock that can be purchased upon exercise or that are underlying the depositary shares that can be purchased on exercise;
- the designation and terms of any series of preferred stock or depositary shares with which the warrants are being offered and the number of warrants being offered with each share of common stock, preferred stock or depositary share;
- when the warrants become exercisable and the expiration date;
- the terms of any right of ours to redeem or call the warrants;

the terms of any right of ours to accelerate the exercisability of the warrants;

where the warrant certificates may be transferred and exchanged;

whether the warrants are to be issued with common stock or debt securities or other securities and, if so, the number and terms of any such offered securities;

the date, if any, on and after which the warrants and the related shares of common stock or debt securities or other securities will be separately transferable;

United States federal income tax consequences applicable to the warrants; and

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any other terms of the warrants, including terms, procedures and limitations relating to exchange and exercise of the warrants.

DESCRIPTION OF UNITS

We may issue units consisting of one or more warrants, debt securities, shares of preferred stock, shares of common stock, depositary shares or any combination of such securities. The applicable prospectus supplement will describe: the terms of the units and of the securities comprising the units, including whether and under what circumstances the securities comprising the units may be traded separately. You should read the particular terms of the documents pursuant to which the units would be issued, which will be described in more detail in the applicable prospectus supplement.

CERTAIN PROVISIONS OF OUR ARTICLES OF INCORPORATION, BYLAWS AND STATUTES

Possible Antitakeover Effect of Certain Statutory, Charter and Bylaw Provisions

The provisions of Pennsylvania law, and of our articles of incorporation and bylaws, as well as our shareholder rights plan, may have the effect of delaying, deferring or discouraging another person from acquiring control of our company, including takeover attempts that might result in a premium over the market price for the shares of common stock and our other securities.

Pennsylvania Business Corporation Law

Subchapter 25F of the Pennsylvania Business Corporation Law of 1988, as amended, or the BCL, generally prohibits certain business combinations of a registered corporation with an interested shareholder (i.e., a beneficial owner of 20% or more of the voting stock) of such corporation. A registered corporation generally is a Pennsylvania corporation that, like our company, has a class of shares registered under the Securities Exchange Act of 1934, as amended. The term business combination is broadly defined to include most merger, consolidation and similar transactions as well as transfers of substantial amounts of assets. Subchapter 25F places a five-year moratorium on most business combinations between a registered corporation and an interested shareholder or its affiliates and associates. The five-year period begins on the date that the interested shareholder crosses the 20% threshold, known as the share acquisition date. Because we have not elected to opt out from the application of Subchapter 25F by means of an amendment to our articles of incorporation or by-laws, the provisions of Subchapter 25F would apply to any business combination involving our company and an interested shareholder.

There are limited exceptions to the five-year moratorium on business combinations with interested shareholders. First, if either the business combination itself, or the applicable interested shareholder s crossing the 20% threshold, is approved by the corporation s board prior to the applicable interested shareholder s share acquisition date, such business combination, or other business combinations with that interested shareholder, would be exempt from the application of Subchapter 25F. In addition, business combinations approved by a majority of the votes of all shareholders other than the interested shareholder, at a meeting held at least three months after the interested shareholder acquires at least 80% of the corporation s outstanding voting stock, will likewise be exempt if, among other tests, the other shareholders receive in the business combination an aggregate amount of per share consideration equal to at least the highest per share price paid by the interested shareholder over the previous five years, plus a specified amount of interest.

Even following the expiration of the five-year moratorium, a business combination with an interested shareholder must still either be approved by a majority of the shares not held by the interested shareholder, or provide to the other shareholders per share compensation that meets the highest price per share test referred to above.

The BCL also provides for additional anti-takeover provisions regarding registered corporations relating to:

control transactions, under which shareholders can require an interested shareholder to buy their shares for fair value, as defined in the BCL;

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control share acquisitions, under which interested shareholders lose their voting rights until such rights are restored by, among other requirements, the affirmative vote of a majority of the disinterested shares, as defined in the BCL; and

disgorgements, under which interested shareholders (or persons that announce an intention to become an interested shareholder) can be required to disgorge certain profits from trading in the registered corporation s stock.

Because we have specifically opted out of these various additional BCL provisions pursuant to bylaw amendments as provided in the relevant sections of the BCL, none of these provisions currently would apply to us or to a non-negotiated attempt to acquire control of our company, although such an attempt would still be subject to the various requirements in our articles of incorporation as described below. Moreover, we can reverse the opt out from one or more of these provisions by means of a bylaw amendment adopted by our board, without shareholder approval, after which the BCL provisions or provisions for which we reversed the opt out would then apply to an attempt to acquire control of our company.

Under Section 1715 of the BCL, our directors are not required to regard the interests of the shareholders as being dominant or controlling in considering our best interests. The directors may consider, to the extent they deem appropriate, factors including:

the effects of any action upon any group affected by such action, including our shareholders, employees, suppliers, customers and creditors, and communities in which we have offices or other establishments,

our short-term and long-term interests, including benefits that may accrue to us from our long-term plans and the possibility that these interests may be best served by our continued independence,

the resources, intent and conduct of any person seeking to acquire control of us, and

all other pertinent factors.

Articles of Incorporation

Blank Check Preferred Stock. Our board of directors is authorized by our articles of incorporation to designate and issue, without shareholder approval, preferred stock with such terms as our board may determine. This ability to issue what is commonly referred to as blank check preferred stock, or rights to acquire preferred stock, may have the effect of delaying, deferring or preventing a change of control of our company or an unsolicited acquisition proposal.

Two Tier Voting Rights. Our articles of incorporation provide that each holder of shares of our common stock that have been owned beneficially by that holder for a period of at least 36 consecutive calendar months, dating from the first day of the first full calendar month on or after the date the holder acquired beneficial ownership of the shares (the 36 Month Holding Period) is entitled to 10 votes for each such share, so long as the holder continues to beneficially own those shares, while the shares of our common stock owned beneficially for less than the 36 Month Holding Period entitle the holder to only one vote for each such share until the holder has beneficially owned the shares for the 36 Month Holding Period. These voting provisions, which are more fully described in this prospectus under the heading Description of Common Stock, could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of our company.

Business Combinations with Related Persons. Article 9 of our articles of incorporation prohibits us from engaging in a Business Combination with a Related Person unless:

our Continuing Directors by a two-thirds vote have expressly approved the Business Combination either in advance of or subsequent to the acquisition of outstanding shares of our voting stock that caused the Related Person to become a Related Person; or

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each of the following conditions is satisfied:

the aggregate amount of the cash and the fair market value, as determined by two-thirds of our Continuing Directors, of the property, securities or other consideration to be received (including, without limitation, Quaker common stock or other capital stock of Quaker retained by shareholders of Quaker other than Related Persons or parties to such Business Combination in the event of a Business Combination in which Quaker is the surviving entity) per share of our capital stock in the Business Combination by holders of capital stock, other than the Related Person involved in the Business Combination, is not less than the Highest Per Share Price or the Highest Equivalent Price paid by the related person in acquiring any of its holdings of our capital stock; and

a proxy or information statement complying with the requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) and with the provisions of Article 9 has been mailed to all shareholders of the company at least 30 days prior to the consummation of the Business Combination (whether or not the proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

For purposes of article 9 the respective meanings of the following terms are as follows:

Business Combination means (i) any merger or consolidation of Quaker or a subsidiary of Quaker into or with a Related Person, in each case irrespective of which corporation or company is the surviving entity; (ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition to or with a Related Person (in a single transaction or a series of related transactions) of all or a Substantial Part of the assets of Quaker (including without limitation any securities of a subsidiary) or of a subsidiary of Quaker; (iii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition to or with Quaker or to or with a subsidiary of Quaker (in a single transaction or series of related transactions) of all or a Substantial Part of the assets of a Related Person; (iv) the issuance of any securities of Quaker or of a subsidiary of Quaker to a Related Person (other than an issuance of securities which is effected on a pro rata basis to all shareholders of Quaker); (v) any recapitalization or reclassification of securities (including any reverse stock split) of Quaker which would have the effect, directly or indirectly, of increasing the proportionate share of the outstanding Voting Stock of Quaker owned by a Related Person; (vi) the adoption of any plan or proposal for the liquidation or dissolution of Quaker proposed by or on behalf of a Related Person; and (vii) the acquisition by Quaker or by a subsidiary of Quaker of any securities of a Related Person.

Related Person means any individual, corporation, partnership or other person or entity (other than any subsidiary of Quaker and other than any profit-sharing, employee stock ownership or other employee benefit plan of Quaker or a subsidiary of Quaker) which, as of the record date for the determination of shareholders entitled to notice of and to vote on any Business Combination, or immediately prior to the consummation of such transaction, together with its Affiliates and Associates (as defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934 as in effect at the date of the adoption of article 9 by the shareholders of Quaker (collectively and as so in effect, the Exchange Act)), are Beneficial Owners (as defined in Rule 13d-3 of the Exchange Act) in the aggregate of ten (10%) percent or more of the outstanding shares of Voting Stock of Quaker, and any Affiliate or Associate of any such individual, corporation, partnership or other person or entity. Without limitation, any shares of Voting Stock of Quaker that any Related Person has the right to acquire at any time (notwithstanding that Rule 13d-3 of the Exchange Act deems such shares to be beneficially owned only if such right may be exercised within 60 days) pursuant to any agreement, or upon exercise of conversion rights, warrants or options, or otherwise, shall be deemed to be beneficially owned by the Related Person and to be outstanding for purposes of the definition of the term Related Person.

Substantial Part means assets having a fair market value, as determined by two-thirds of the Continuing Directors, of more than twenty (20%) percent of the total consolidated assets of Quaker and its subsidiaries taken as a whole, as of the end of its most recent fiscal year ending prior to the time the determination is being made.

Voting Stock means all outstanding shares of capital stock of Quaker entitled to vote generally in the election of directors and each reference to a proportion of Voting Stock refers to such proportion of the votes entitled to be cast by such shares.

Continuing Director means a director who was a member of the board of directors of Quaker at the date of the adoption of article 9 by the shareholders of Quaker, together with each director who either (i) was a member of Quaker s board of directors immediately prior to the time that the Related Person involved in a Business Combination became the Beneficial Owner of ten (10%) percent of the Voting Stock of Quaker, or (ii) was designated (before his or her initial election as director) as a Continuing Director by a majority of the then Continuing Directors.

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Under article 9, a Related Person is deemed to have acquired a share of the Voting Stock of Quaker at the time the Related Person became the Beneficial Owner thereof. With respect to the shares owned by Affiliates, Associates or other persons whose ownership is attributed to a Related Person under the foregoing definition of Related Person, if the price paid by such Related Person for such shares is not determinable by the Continuing Directors, the price so paid shall be deemed to be the higher of (i) the price paid upon the acquisition thereof by the Affiliate, Associate or other person or (ii) the market price of the shares in question at the time when the Related Person became the Beneficial Owner thereof.

Highest Per Share Price and Highest Equivalent Price, as used in article 9 means the following: If there is only one class of capital stock of Quaker issued and outstanding, the Highest Per Share Price shall mean the highest price that can be determined to have been paid at any time by the Related Person for any share or shares of that class of capital stock. If there is more than one class of capital stock of Quaker issued and outstanding, the Highest Equivalent Price shall mean with respect to each class and series of capital stock of Quaker, the amount determined by two-thirds of the Continuing Directors, on whatever basis they believe is appropriate, to be the highest per share price equivalent of the highest price that can be determined to have been paid at any time by the Related Person for any share or shares of any class or series of capital stock of Quaker. In determining the Highest Per Share Price and Highest Equivalent Price, appropriate adjustments shall be made for recapitalizations and for stock splits, stock dividends and like distributions or transactions, and all purchases by the Related Person shall be taken into account regardless of whether the shares were purchased before or after the Related Person became a Related Person. Also, the Highest Per Share Price and the Highest Equivalent Price shall include any brokerage commissions, transfer taxes and soliciting dealers fees paid by the Related Person with respect to the shares of capital stock of Quaker acquired by the Related Person. Article 9 provides that, in the case of any Business Combination with a Related Person, the Continuing Directors should determine the Highest Equivalent Price for each class and series of the capital stock of Quaker.

Classified Board of Directors. In accordance with the provisions of our articles of incorporation, our board of directors is divided into three classes with each class elected to serve for a three-year term and the terms of the classes staggered so that only one class of directors is elected each year. The fact that only one class of our board s directors is elected each year could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of our company.

Super Majority Vote Required to Amend Certain Provisions of the Articles of Incorporation. The Pennsylvania corporate law provides generally that the affirmative vote of a majority of the votes cast by all shareholders entitled to vote is required to amend a corporation s articles of incorporation, unless the corporation s articles of incorporation require a greater percentage. Our articles of incorporation provide that any amendment of the provisions of article 7 (relating to our board of directors, including the division of the board into three classes), article 8 (relating to special meetings of shareholders) or article 9 (relating to certain transactions with related parties, including mergers, consolidations or sales or other dispositions of all or a substantial part of our assets) requires an affirmative vote of 80% of the votes entitled to be cast on the matter. The 80% shareholder vote would be in addition to any separate class vote that might in the future be required pursuant to the terms of any series of preferred stock that might be outstanding at the time any amendment to our articles of incorporation is submitted to shareholders.

Bylaw Provisions

Authority to Fill Board Vacancies. Under our bylaws, any vacancy on our board of directors, however occurring, including a vacancy resulting from an enlargement of our board, may be filled by vote of a majority of our directors then in office, even if less than a quorum. The authority of the remaining members of our board to fill vacancies could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of our company.

Calling of Special Meeting. Our bylaws provide that special meetings of the shareholders may only be called by the chairman of the board of directors, the president or the board of directors, or by shareholders entitled to cast not less than four-fifths of the votes which all shareholders are entitled to cast at the meeting. The limited ability of our shareholders to call a special meeting of the shareholders may have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from attempting to acquire, control of our company.

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These and other provisions contained in our articles of incorporation and bylaws could delay or discourage transactions involving an actual or potential change in control of us or our management, including transactions in which shareholders might otherwise receive a premium for their shares over then current prices. Such provisions could also limit the ability of shareholders to remove current management or approve transactions that shareholders may deem to be in their best interests and could adversely affect the price of our common stock.

Limitations of Liability and Indemnification of Directors and Officers

Our bylaws, as approved by our shareholders, limit the liability of our directors to us and our shareholders. Specifically, other than with respect to the responsibility or liability of a director pursuant to any criminal statute or the liability of a director for the payment of taxes pursuant to federal, state or local law, a director will not be personally liable for monetary damages for any action taken, or failure to take any action, unless he or she has both:

breached or failed to perform the duties of his or her office under Chapter 17, Subchapter B of the Pennsylvania Consolidated Statutes; and

the breach or failure to perform constitutes self dealing, willful misconduct or recklessness.

Our bylaws generally provide that we shall indemnify our officers and directors and hold them harmless to the fullest extent authorized or permitted by the laws of the Commonwealth of Pennsylvania, as the same exist or may hereafter be amended (but, in the case of an amendment, only to the extent that the amendment permits us to provide broader indemnification rights than we were permitted to provide prior to the amendment), against all expense, liability and loss reasonably incurred or suffered in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, including, without limitation, any action or suit by or in the right of the company, by reason of the fact that he or she is or was a director or officer of Quaker, whether the basis of the proceeding is alleged action in an official capacity as director or officer, or in any other capacity. We believe that these provisions assist us in attracting and retaining qualified individuals to serve as directors and officers.

PLAN OF DISTRIBUTION

We may sell the securities from time to time in one or more transactions through underwriters or dealers, through agents, or directly to one or more purchasers, in private transactions, at a fixed price or prices, which may be changed, or from time to time at market prices prevailing at the time of sale, at prices related to the prevailing market prices, or at negotiated prices. We will describe the method of distribution and the terms of the offering of the securities in a prospectus supplement, information incorporated by reference or other offering material, including:

the name or names of the underwriters, if any;

the purchase price of the securities and the proceeds we will receive from the sale;

any underwriting discounts and other items constituting underwriters compensation;

any initial public offering price;

any discounts or concessions allowed or reallowed or paid to dealers; and

any securities exchange or market on which the securities may be listed.

Only underwriters we name in the prospectus supplement, information incorporated by reference or other offering material are underwriters of the securities offered thereby.

If we use underwriters in the sale, they will acquire the securities for their own account and may resell them from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. We may offer the securities to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. Subject to certain conditions, the underwriters will be obligated to purchase all the securities of the series offered by the prospectus supplement, information incorporated by reference or other offering material. In connection with the sale of securities, underwriters may receive compensation from us or from purchasers of securities for whom they may act as agents. This compensation may be in the form of discounts, concessions or commissions.

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Underwriters may sell securities to or through dealers, and these dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of securities could be considered underwriters, and any discounts or commissions received by them from us and any profit on the resale of securities by them could be considered underwriting discounts and commissions, under the Securities Act. Any public offering price and any discounts or concessions allowed or reallowed or paid to dealers may change from time to time.

If we sell securities to a dealer, we will sell the securities to the dealer, as principal. The name of the dealer and the terms of the transaction will be set forth in the prospectus supplement, information incorporated by reference or other offering material. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale.

We may sell securities directly or through agents we designate from time to time. We will name any agent involved in the offering and sale of securities, and we will describe any commissions we will pay the agent, in the prospectus supplement, information incorporated by reference or other offering material. Unless the prospectus supplement states otherwise, our agent will act on a best-efforts basis for the period of its appointment.

Under agreements entered into by us for the purchase or sale of securities, underwriters, dealers and agents may be entitled to indemnification by us against certain liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which they may be required to make in respect thereof. Underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, us in the ordinary course of business.

Offers to purchase securities may be solicited, and sales thereof may be made, by us directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resales of those securities. The terms of any such offer will be set forth in the prospectus supplement, information incorporated by reference or other offering material.

If we offer securities in a subscription rights offering to our existing security holders, we may enter into a standby underwriting agreement with dealers, acting as standby underwriters. We may pay the standby underwriters a commitment fee for the securities they commit to purchase on a standby basis. If we do not enter into a standby underwriting arrangement, we may retain a dealer-manager to manage a subscription rights offering for us.

If so indicated in the prospectus supplement, we will authorize the underwriters or other persons acting as our agents to solicit offers by certain institutional investors to purchase securities from us under contracts requiring payment and delivery on a future date. The obligations of any purchaser under these contracts will be subject to the condition that the purchase of the offered securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which that purchaser is subject. The underwriters and other agents will not have any responsibility in respect of the validity or performance of these contracts.

To the extent that we make sales to or through one or more underwriters or agents in at-the-market offerings, we may do so pursuant to the terms of a distribution agreement between us and the underwriters or agents. If we engage in at-the-market sales pursuant to a distribution agreement, we will issue and sell shares of our common stock to or through one or more underwriters or agents, which may act on an agency basis or on a principal basis. During the term of any such agreement, we may sell shares on a daily basis in exchange transactions or otherwise as we may agree with the underwriters or agents. The distribution agreement will provide that any shares of our common stock sold will be sold at prices related to the then prevailing market prices for our common stock. Therefore, exact figures regarding proceeds that will be raised or commissions to be paid cannot be determined at this time and will be described in a prospectus supplement. Pursuant to the terms of the distribution agreement, we also may agree to sell, and the relevant underwriters or agents may agree to solicit offers to purchase, blocks of our common stock or other securities. The terms of each such distribution agreement will be set forth in more detail in a prospectus supplement to this prospectus. In the event that any underwriter or agent acts as principal, or broker-dealer acts as underwriter, it may engage in certain transactions that stabilize, maintain or otherwise affect the price of our securities. We will describe any such activities in the prospectus supplement relating to the transaction.

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In connection with an offering, the underwriters may purchase and sell securities in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of securities than they are required to purchase in an offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the securities while an offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the underwriters have repurchased securities sold by or for the account of that underwriter in stabilizing or short-covering transactions.

These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the securities. As a result, the price of the securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected on an exchange or automated quotation system, if the securities are listed on that exchange or admitted for trading on that automated quotation system, or in the over-the-counter market or otherwise.

All securities we offer other than common stock will be new issues of securities with no established trading market. Any underwriters may make a market in these securities, but will not be obligated to do so and may discontinue any market making at any time without notice. We cannot guarantee the liquidity of the trading markets for any securities.

LEGAL MATTERS

Unless otherwise specified in the applicable prospectus supplement, the validity of any securities issued hereunder will be passed upon for our company by Duane Morris LLP, Philadelphia, Pennsylvania, and for any underwriters or agents by counsel named in the applicable prospectus supplement.

EXPERTS

The consolidated financial statements incorporated in this prospectus by reference to Quaker Chemical Corporation s Current Report on Form 8-K dated November 23, 2009 and management s assessment of the effectiveness of internal control over financial reporting (which is included in Management s Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K of Quaker Chemical Corporation for the year ended December 31, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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QUAKER CHEMICAL CORPORATION

$100,000,000

DEBT SECURITIES

PREFERRED STOCK

DEPOSITARY SHARES

COMMON STOCK

PREFERRED STOCK PURCHASE RIGHTS

WARRANTS

UNITS

PROSPECTUS

, 2010

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PART II

Information Not Required in Prospectus

Item 14. ***Other Expenses of Issuance and Distribution***

The following is a statement of the estimated expenses (other than underwriting discounts and commissions) to be incurred by Quaker Chemical Corporation in connection with the issuance and distribution of the securities registered under this registration statement.

SEC registration fee	$ 5,580
Accounting fees and expenses	*
Legal fees and expenses	*
Printing and engraving fees	*
Trustee and Transfer Agent s fees and expenses	*
Miscellaneous fees and expenses	*
Total	$ *

* These fees and expenses will be determined based on the number of issuances and amount and type of securities issued. Accordingly, they cannot be estimated at this time.

Item 15. ***Indemnification of Directors and Officers***

Subchapter D of Chapter 17 of the Pennsylvania Business Corporation Law of 1988, as amended (the PBCL), contains provisions relating to the indemnification of persons by a Pennsylvania business corporation, including directors and officers of the corporation.

Sections 1741 and 1742 of the PBCL provide that a business corporation may indemnify directors and officers against liabilities and expenses they may incur as such provided that the particular person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. In general, a business corporation s power to indemnify under these sections does not exist in the case of actions against a director or officer by or in the right of the corporation if the person otherwise entitled to indemnification shall have been adjudged to be liable to the corporation unless and only to the extent it is judicially determined that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for specified expenses. Section 1743 of the PBCL provides that a business corporation is required to indemnify directors and officers against expenses they may incur in defending actions against them in such capacities to the extent they are successful on the merits or otherwise in the defense of such actions.

Section 1744 of the PBCL provides that, unless ordered by a court, any indemnification under Section 1741 or 1742 may be made by a business corporation only as authorized in the specific case upon a determination that indemnification of a director or officer is proper in the circumstances because the director or officer met the applicable standard of conduct, and such determination must be made: (i) by the board of directors by a majority vote of a quorum of directors not parties to the action or proceeding; (ii) if a quorum is not obtainable or if obtainable and a majority of disinterested directors so directs, by independent legal counsel in a written opinion; or (iii) by the shareholders.

Section 1745 of the PBCL provides that expenses incurred by a director or officer in defending any action or proceeding referred to in Subchapter D of Chapter 17 of the PBCL may be paid by a business corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by the corporation.

Section 1746 of the PBCL grants a business corporation broad authority to indemnify its directors and officers for liabilities and expenses incurred in such capacity, except in circumstances where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

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Section 1747 of the PBCL permits a business corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a representative of another corporation or other enterprise, against any liability asserted against such person and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify the person against such liability under Subchapter D of Chapter 17 of the PBCL, and Section 7.1F of Quaker Chemical Corporation s Bylaws permits it, at its own expense, to maintain insurance to protect its directors and officers, among others, against any expense, liability or loss, whether or not it has the power to indemnify such persons against such expense, liability or loss under the laws of the Commonwealth of Pennsylvania. Quaker Chemical Corporation currently maintains directors and officers liability insurance on behalf of its directors and officers.

Section 1748 of the PBCL applies the indemnification and advancement of expenses provisions contained in Subchapter D of Chapter 17 of the PBCL to successor corporations resulting from consolidation, merger or division.

Section 1750 of the PBCL provides that the indemnification and advancement of expenses pursuant to Subchapter D of Chapter 17 of the PBCL will, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer of the corporation and shall inure to the benefit of the heirs and personal representative of that person.

Section 7.1 of Quaker Chemical Corporation s Bylaws contains provisions requiring it to indemnify and hold harmless directors and officers to the fullest extent and manner authorized or permitted by the laws of the Commonwealth of Pennsylvania.

Item 16. ***Exhibits***

Exhibit Number	Description of Exhibit
1.1***	Form of Underwriting Agreement.
4.1	Amended and Restated Articles of Incorporation of Quaker Chemical Corporation. Incorporated by reference to Exhibit 3(a) to the Company s Annual Report on Form 10-K for the year ended December 31, 1996. (SEC File No. 001-12019).
4.2	Bylaws of Quaker Chemical Corporation. Incorporated by reference to Exhibit 10.1 to the Company s Quarterly Report on Form 10-Q for the quarter ended September 30, 2008. (SEC File No. 001-12019).
4.3	Shareholder Rights Plan dated March 6, 2000. Incorporated by reference to Exhibit 1 to the Company s Current Report on Form 8-K filed on March 7, 2000. (SEC File No. 001-12019).
4.4*	Form of Senior Debt Indenture (including form of Senior Note).
4.5*	Form of Senior Subordinated Debt Indenture (including form of Senior Subordinated Note).
4.6*	Form of Subordinated Debt Indenture (including form of Subordinated Note).
4.7***	Form of Warrant Agreement.
4.8***	Form of Warrant Certificate (to be included in Exhibit 4.7).
4.9**	Specimen certificate for shares of common stock, $1.00 par value, of Quaker Chemical Corporation.
4.10***	Form of Certificate of Designation.
4.11***	Form of Preferred Stock Certificate.

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Exhibit Number	Description of Exhibit
4.12***	Form of Deposit Agreement.
4.13***	Form of Depositary Receipt (to be included in Exhibit 4.12).
4.14***	Form of Unit Agreement.
4.15***	Form of Unit Certificate (to be included in Exhibit 4.14).
5.1*	Opinion of Duane Morris LLP.
12.1**	Computation of Ratios.
23.1*	Consent of PricewaterhouseCoopers LLP.
23.2*	Consent of Duane Morris LLP (included in Exhibit 5.1).
24.1**	Power of Attorney.
25.1****	Form T-1 Statement of Eligibility of the Indenture Trustee.

* Filed herewith.
** Previously filed.
*** To be filed as an exhibit to a Current Report on Form 8-K in the event of an offering of the specified securities and incorporated by reference herein.
**** To be filed separately on a delayed basis under the electronic form type 305 B2.

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Item 17. ***Undertakings***

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement;

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (1)(i), (1)(ii) and (1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

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(5) That, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant s annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan s annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(7) To supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, a post-effective amendment will be filed to set forth the terms of such offering.

(8) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

(9) That, insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Borough of Conshohocken, Commonwealth of Pennsylvania, on January 13, 2010.

QUAKER CHEMICAL CORPORATION

By /s/ MICHAEL F. BARRY
Michael F. Barry

Chief Executive Officer and President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MICHAEL F. BARRY **Michael F. Barry**	Chief Executive Officer, President and Chairman of the Board (Principal Executive Officer)	January 13, 2010
* **Mark A. Featherstone**	Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	January 13, 2010
* **George H. Hill**	Global Controller (Principal Accounting Officer)	January 13, 2010
* **Joseph B. Anderson, Jr.**	Director	January 13, 2010
* **Patricia C. Barron**	Director	January 13, 2010
* **Donald R. Caldwell**	Director	January 13, 2010
* **Robert E. Chappell**	Director	January 13, 2010
* **William R. Cook**	Director	January 13, 2010
*	Director	January 13, 2010

Edwin J. Delattre			
*		Director	January 13, 2010
Jeffry D. Frisby			

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	*	Director	January 13, 2010
	Ronald J. Naples		
	*	Director	January 13, 2010
	Robert H. Rock		

*By /s/ MICHAEL F. BARRY
Michael F. Barry
Attorney-in-Fact

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**** To be filed separately on a delayed basis under the electronic form type 305 B2.