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CHIRON CORP
Form SC 13D/A
November 01, 2005

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 12)*

CHIRON CORPORATION
(Name of Issuer)

COMMON STOCK, PAR VALUE \$0.01 PER SHARE
(Title of Class of Securities)

170040109
(CUSIP Number of Class of Securities)

WAYNE P. MERKELSON
NOVARTIS CORPORATION
608 FIFTH AVENUE
NEW YORK, NEW YORK 10020
(212) 307-1122

ANDREW R. BROWNSTEIN, ESQ.
TREVOR S. NORWITZ, ESQ.
WACHTELL, LIPTON, ROSEN & KATZ
51 WEST 52 STREET
NEW YORK, NEW YORK 10019
(212) 403-1000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications on Behalf of Filing Persons)

OCTOBER 30, 2005
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ss.ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. []

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ss.240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 170040109

1. NAMES OF REPORTING PERSONS: Novartis Biotech Partnership, Inc.

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 06-1415318

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

(A) []

(B) []

3. SEC USE ONLY:

4. SOURCE OF FUNDS (SEE INSTRUCTIONS): AF

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	7. SOLE VOTING POWER 0
	8. SHARED VOTING POWER 127,206,693

9. SOLE DISPOSITIVE POWER 0

10. SHARED DISPOSITIVE POWER 127,206,693

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 127,206,693

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE

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INSTRUCTIONS) []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 53%

14. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) CO

CUSIP No. 170040109

1. NAMES OF REPORTING PERSONS: Novartis Corporation

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY): 13-1834433

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

(A) []

(B) []

3. SEC USE ONLY:

4. SOURCE OF FUNDS (SEE INSTRUCTIONS): AF

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION New York

Number of	7. SOLE VOTING POWER
Shares	0
Beneficially	-----
Owned by	
Each	
Reporting	8. SHARED VOTING POWER
Person	127,214,149
With	-----

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9. SOLE DISPOSITIVE POWER 0

10. SHARED DISPOSITIVE POWER 127,214,149

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 127,214,149

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 53%

14. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) CO

CUSIP No. 170040109

1. NAMES OF REPORTING PERSONS: Novartis Pharma AG

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

(A) []

(B) []

3. SEC USE ONLY:

4. SOURCE OF FUNDS (SEE INSTRUCTIONS): WC

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E) []

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6. CITIZENSHIP OR PLACE OF ORGANIZATION Switzerland

Number of Shares Beneficially Owned by Each Reporting Person With
7. SOLE VOTING POWER
0

8. SHARED VOTING POWER
5,469,770

9. SOLE DISPOSITIVE POWER 0

10. SHARED DISPOSITIVE POWER 5,469,770

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 5,469,770

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 2%

14. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) CO

CUSIP No. 170040109

1. NAMES OF REPORTING PERSONS: Novartis AG

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY):

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS):

(A) []

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(B) []

3. SEC USE ONLY:

4. SOURCE OF FUNDS (SEE INSTRUCTIONS): WC

5. CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Switzerland

Number of Shares Beneficially Owned by Each Reporting Person With	7. SOLE VOTING POWER 0
	8. SHARED VOTING POWER 132,683,919

9. SOLE DISPOSITIVE POWER 0

10. SHARED DISPOSITIVE POWER 132,683,919

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 132,683,919

12. CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 55%

14. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS) CO

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ITEM 1. SECURITY AND ISSUER

This Amendment No. 12 to Schedule 13D relates to Common Stock, par value \$0.01 per share (the "Common Stock"), of Chiron Corporation, a Delaware corporation (the "Company"). Novartis AG ("Novartis"), Novartis Corporation, ("Novartis Corp"), Novartis Biotech Partnership, Inc. ("Biotech"), and Novartis Pharma AG ("Novartis Pharma" and, together with Novartis, Novartis Corp and Biotech the "Reporting Persons") hereby amend the Schedule 13D.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Item 3 is hereby amended and supplemented by adding the following:

Novartis plans to finance the transactions described in Item 4 below with available cash or other liquid assets.

ITEM 4. PURPOSE OF TRANSACTION

Item 4 is hereby amended and supplemented by adding the following:

On October 30, 2005, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Novartis Corp, Biotech and, for certain purposes only, Novartis. On the terms and subject to the conditions of the Merger Agreement, Biotech will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation and as an indirect wholly-owned subsidiary of Novartis. Pursuant to the Merger, each share of Common Stock issued and outstanding at the effective time of the Merger (other than shares of Common Stock (i) owned by the Reporting Persons, the Company, or any of their direct or indirect subsidiaries, except for any such shares held on behalf of third parties, or (ii) owned by stockholders properly exercising appraisal rights) will be converted into the right to receive \$45.00 in cash, without interest.

Completion of the Merger is subject to approval of (i) the holders of a majority of the outstanding shares of Common Stock and (ii) the holders of a majority of the outstanding shares of Common Stock, excluding shares of Common Stock owned by the Reporting Persons. The Merger Agreement is also subject to the satisfaction of other customary conditions, including governmental and regulatory approvals.

Novartis issued a press release on October 31, 2005 announcing the execution of the Merger Agreement. The press release and Merger Agreement are filed as Exhibit 99.1 and Exhibit 99.2 hereto, respectively, and are incorporated by reference herein.

The Company also gave Novartis and Novartis AG notice of the exercise of its right, pursuant to the Subscription Agreement, dated as of November 20, 1994 among the Company, Novartis and certain of its affiliates (filed as an exhibit to the Schedule 13D on January 21, 1997), to require Biotech to purchase

shares of Common Stock directly from the Company at a price per share equal to fair market value, for an aggregate purchase price of \$300 million. "Fair market value" is defined under the Subscription Agreement as the average of the closing sale prices or the closing bid quotations of shares of Common Stock on the Nasdaq National Market during the ten-day period immediately preceding the business day three business days prior to the closing of the purchase, which will occur following satisfaction of all closing conditions set forth in the

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Subscription Agreement, including governmental and regulatory approvals.

ITEM 5. INTEREST IN SECURITIES OF ISSUER

Item 5(c) is hereby amended and supplemented by adding the following:

(c) The disclosures contained in Item 4 above are incorporated by reference herein.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Item 6 is hereby amended and supplemented by adding the following:

The disclosure contained in Item 4 above are incorporated by reference herein.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

99.1 Press Release, dated October 31, 2005.

99.2 Agreement and Plan of Merger, dated as of October 30, 2005, by and among Novartis Corporation, Novartis Biotech Partnership, Inc., Chiron Corporation and, for purposes of Section 10.14 thereof only, Novartis AG.

99.3 Joint Filing Agreement, dated as of October 31, 2005, by and among Novartis Biotech Partnership, Inc., Novartis Corporation, Novartis Pharma AG and Novartis AG.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: October 31, 2005

NOVARTIS BIOTECH
PARTNERSHIP, INC.

By: /s/ Wayne P. Merkelson

Name: Wayne P. Merkelson
Title: Vice President

NOVARTIS CORPORATION

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By: /s/ Jeff Benjamin

Name: Jeff Benjamin
Title: Vice President

NOVARTIS PHARMA AG

By: /s/ Jorg Reinhardt

Name: Jorg Reinhardt
Title: Authorized Signatory

By: /s/ Martin Henrich

Name: Martin Henrich
Title: Authorized Signatory

NOVARTIS AG

By: /s/ Frederic Krohn

Name: Frederic Krohn
Title: Authorized Signatory

Exhibit Index

EXHIBIT NUMBER	EXHIBIT NAME
-----	-----
99.1	Press Release, dated October 31, 2005.
99.2	Agreement and Plan of Merger, dated as of October 30, 2005, by and among Novartis Corporation, Novartis Biotech Partnership, Inc., Chiron Corporation and, for purposes of Section 10.14 thereof only, Novartis AG.
99.3	Joint Filing Agreement, dated as of October 31, 2005, by and among Novartis Biotech Partnership, Inc., Novartis Corporation, Novartis Pharma AG and Novartis AG.

SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS OF
NOVARTIS, NOVARTIS PHARMA, NOVARTIS CORP AND BIOTECH

DIRECTORS AND EXECUTIVE OFFICERS OF NOVARTIS

The name, address, citizenship and present principal occupation or

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employment of each of the directors and executive officers of Novartis are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with Novartis.

NAME, FUNCTION AND BUSINESS ADDRESS -----	CITIZENSHIP -----	PRINCIPAL OCCUPATION -----
Daniel Vasella Chairman of the Board of Directors, Chief Executive Officer c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Chairman of the Board of Directors, Chief Executive Officer
Hans-Jorg Rudloff Vice Chairman of the Board of Directors c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Germany	Chairman of the Executive Committee of Barclays Capital
Prof. Dr. Helmut Sihler Vice Chairman of the Board of Directors c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Austria	Retired
Birgit Breuel Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Germany	Member of the Supervisory Board of Gruner + Jahr AG, German
Prof. Dr. Peter Burckhardt Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Head of Medical Service at the University Hospital of Lausanne
Prof. Srikant Datar, PhD. Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	India	Senior Associate Dean for Executive Education at Harvard Business School
William W. George Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	USA	Chairman and Chief Executive Officer of Medtronic, Inc., Minneapolis
Alexandre F. Jetzer Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Consultant
Pierre Landoldt Director c/o Novartis AG Lichtstrasse 35	Switzerland	President of the Sandoz Family Foundation

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CH-4002 Basel, Switzerland

<p>Prof. Dr. Rolf M. Zinkernagel Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Switzerland</p>	<p>Professor and Director of the Institute of Experimental Immunology at the University of Zurich</p>
<p>Prof. Ulrich Lehner, PhD Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Germany</p>	<p>President and Chief Executive Officer of Henkel KGaA</p>
<p>Dr.-Ing. Wendelin Wiedeking Director c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Germany</p>	<p>Chairman of Porsche AG</p>
<p>Dr. Raymund Breu c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Switzerland</p>	<p>Chief Financial Officer</p>
<p>Dr. Urs Barlocher c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Switzerland</p>	<p>Head of Legal and General Affairs</p>
<p>Jurgen Brokatzky-Geiger c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Germany</p>	<p>Head of Human Resources</p>
<p>Dr. Paul Choffat c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Switzerland</p>	<p>Head of Novartis Consumer Health</p>
<p>Thomas Ebeling c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>Germany</p>	<p>Head of Pharmaceuticals</p>
<p>Mark C. Fishman c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>USA</p>	<p>Head of Biomedical Research</p>
<p>Steven Kelmar c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland</p>	<p>USA</p>	<p>Head of Public Affairs and Communications</p>

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DIRECTORS AND EXECUTIVE OFFICERS OF NOVARTIS PHARMA

The name, address, citizenship and present principal occupation or employment of each of the directors and executive officers of Novartis Pharma are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with Novartis Pharma.

NAME, FUNCTION AND BUSINESS ADDRESS -----	CITIZENSHIP -----	PRINCIPAL OCCUPATION -----
Daniel Vasella Chairman of the Board of Directors, Chief Executive Officer c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Chairman of the Board of Directors, and Chief Executive Officer of Novartis
Thomas Ebeling Director c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Germany	Head of Novartis Pharma
Dr. Raymund Breu Director c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Chief Financial Officer of Novartis
Andrin Oswald c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Corporate Secretary

DIRECTORS AND EXECUTIVE OFFICERS OF NOVARTIS CORP

The name, address, citizenship and present principal occupation or employment of each of the directors and executive officers of Novartis Corp are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with Novartis Corp.

NAME, FUNCTION AND BUSINESS ADDRESS -----	CITIZENSHIP -----	PRINCIPAL OCCUPATION -----
Daniel Vasella Chairman of the Board of Directors c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Chairman of the Board of Directors and Chief Executive Officer of Novartis
Terence Barnett Vice Chairman of the Board of Directors c/o Novartis Corporation 608 Fifth Avenue New York, NY 10020, USA	Great Britain	Vice Chairman, President and Chief Executive Officer

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Dr. Raymund Breu Director c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Chief Financial Officer of Novartis
Thomas Ebeling Director c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Germany	Head of Novartis Pharma
Fred Meyer Director c/o Omnicom Group, Inc. 437 Madison Avenue New York, NY 10022, USA	Switzerland	Retired
Urs Naegelin c/o Novartis Corporation 608 Fifth Avenue New York, NY 10020, USA	Switzerland	Executive Vice President and Chief Financial Officer
Dr. Paul Choffat c/o Novartis AG Lichstrasse 35 CH-4002 Basel, Switzerland	Switzerland	Division Head Consumer Health

DIRECTORS AND EXECUTIVE OFFICERS OF BIOTECH

The name, address, citizenship and present principal occupation or employment of each of the directors and executive officers of Biotech are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with Biotech.

NAME, FUNCTION AND BUSINESS ADDRESS -----	CITIZENSHIP -----	PRINCIPAL OCCUPATION -----
Urs Naegelin Chairman of the Board of Directors c/o Novartis Corporation 608 Fifth Avenue New York, NY 10020, USA	Switzerland	Executive Vice President and Chief Financial Officer of Novartis Corp
Paulo Costa Vice Chairman of the Board of Directors c/o Novartis Pharmaceuticals Corporation 59 Route 10 East Hanover, NJ 07936	Brazil	Chief Executive Officer of Novartis Pharmaceuticals Corporation
Terance Barnett Director c/o Novartis Corporation 608 Fifth Avenue	Great Britain	Vice Chairman, President and Chief Executive Officer of Novartis Corp

New York, NY 10020, USA