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legibly, preferably
in black type, or
bold block lettering

* insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

030095/10

395

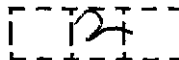
A fee of £10 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



00867053

Name of company

* Borden Chemical GB Limited (the "Mortgagor")

Date of creation of the charge

4 October 2002 (the "Charge Date")

Description of the instrument (if any) creating or evidencing the charge (note 2)

Deed of Mortgage dated 4 October 2002 (the "Deed") made between the
Mortgagor and Fleet National Bank, London UK Branch (as "Mortgagee")

Amount secured by the mortgage or charge

Please refer to Part 2 of the attached Continuation Sheet.

Names and addresses of the mortgagees or persons entitled to the charge

Fleet National Bank, London UK Branch, trading as FleetBoston Financial,
with a place of business at 39 Victoria Street, London,

Postcode SW1H 0ED

Presentor's name address and
reference (if any):

Shearman & Sterling
Broadgate West
9 Appold Street
London
EC2A 2AP

Ref: 31282/00011 hd12848

Time critical reference

For official Use
Mortgage Section

Post room



LD2
COMPANIES HOUSE

0490
18/10/02

Please refer to Part 3 of the attached Continuation Sheet.

Part 4 of the attached Continuation Sheet contains covenants by and restrictions on the Company which protect and further define the Charges and which must be read as part of the Charges.

NB. Please refer to Part 1 of the attached Continuation Sheet for definitions.

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Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed *Shearman & Sterling*

Date 17 October 2002

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheets to Form 395

PART 1

In this Form 395, so far as the context admits, the following expressions have the following meanings:

"Covenant Obligations" means the obligations arising out of the Covenant to Pay as set out in Part 2 to this Continuation Sheet;

"Event of Default" has the meaning given to that term in the Loan and Security Agreement;

"Finance Parties" has the meaning given to that term in the Guarantee and Debenture;

"Guarantee and Debenture" means the guarantee and debenture deed dated twenty-third day of September two thousand and two between the companies detailed in Schedule 1 thereto and Fleet National Bank, London UK branch as Security Agent;

"Loan and Security Agreement" means the loan and security agreement dated the twenty-third day of September two thousand and two, by and among Fleet Capital Corporation, individually as lender and as agent for itself and the lenders from time to time party thereto, the Canadian participants and UK participants that are party thereto, Fleet Capital Canada Corporation, individually as a lender and as Canadian agent, Fleet National Bank, London UK branch, individually as a lender and as UK agent and the lenders from time to time party thereto and Borden Chemical, Inc., Borden Chemical Canada, Inc., Borden Chemical UK Limited and Borden Chemical GB, Ltd;

"Loan Documents" has the meaning given to that term in the Loan and Security Agreement;

"Mortgage" means the right of mortgage created by the execution of the Deed and the registration thereof in the public registers and if the context so requires, the right of pledge created over the Moveable Assets and the Rights created by the execution of the Deed;

"Moveable Assets" means all existing and future machineries, equipment, installations, tools and other moveable assets such as contemplated in Article 3:254 sub section 1 of the Dutch Civil Code which are, or are intended to continually serve a Real Property or any part thereof at the present time or any time in the future, and all alterations and additions thereto and thereof and all replacements thereof at any time;

"Obligor" has the meaning given to it in the Guarantee and Debenture;

"Principle Obligations" means all present and future obligations (other than the Covenant Obligations) for the payment of money from time to time due, owing or incurred by any Obligor (other than a US Obligor) to one or more of the Finance Parties (whether as sole creditor, joint and several creditor or otherwise) under, pursuant to, or otherwise in connection with the Loan and Security Agreement, Guarantee and Debenture, the Deed and the other Loan Documents or any of them (including, without limitation, under any amendments, supplements, restatements of any Loan Documents or in relation to any new or increased advances or facilities), whether present or future, actual or contingent, matured or unmatured, and whether as principal or as surety and whether severally or jointly with others;

"Real Property" means the real property contemplated in Clause 3.1 of the Deed as well as all which shall at any time be added to the real property or any part thereof and all which at any time becomes a part thereof and all which at any time shall replace the real property or any part thereof;

"Rights" means all rights, claims and remedies of the Mortgagor with respect to its Security Assets, arising out of contract, such as agreements with construction companies and other contractors and agreements with respect to qualitative rights and easements;

"Secured Obligations" means (i) the Principle Obligations and (ii) the Covenant Obligations;

"Security Assets" means the Real Property, the Moveable Assets and Rights and a reference to the "Security Assets" also means any and all assets which are, shall or must be mortgaged or pledged by execution of the Deed or any of the constituent parts thereof;

"Security Period" means the period commencing on the Charge Date and ending on the date upon which all the Secured Obligations shall have been unconditionally and irrevocably paid and discharged in full and all credit facilities which might give rise to Secured Obligations have been terminated, regardless of any intermediate payment or partial payment and the Mortgage has been finally terminated and released pursuant to Clause 16 of the Deed.

PART 2

Amount Secured by the Mortgage or Charge

For the purpose of ensuring and preserving the validity and enforceability of the security rights granted or to be granted by the Mortgagor pursuant to the Deed, the Mortgagor irrevocably and unconditionally agreed and covenanted with the Mortgagee and the Finance Parties to pay directly to the Mortgagee on its first demand, amounts equal to, and in the currency of, the Principal Obligations from time to time due in accordance with the terms and conditions of the Loan Documents or any of them ("Covenant to Pay").

PART 3

Short Particulars of all property mortgaged or charged

1. Pursuant to Clause 5.1 of the Deed, as security for the payment and discharge of the Secured Obligations:
 - (a) the Mortgagor granted in favour of the Mortgagee a right of mortgage on the Real Property of the Mortgagor for an amount of one hundred forty percent (140%) of four million euro (EUR 4,000,000), therefore amounting to a total amount of five million six hundred thousand euro (EUR 5,600,000); and
 - (b) the Mortgagor pledged, to the extent necessary in advance, all of its rights, titles and interests in and to the Moveable Assets and the Rights belonging to the Mortgagor at any time, to and in favour of the Mortgagee.
2. Pursuant to Clause 5.2 of the Deed, the Mortgagee accepted the mortgage and pledge referred to in Clause 5.1 of the Deed.

PART 4

Covenants and Restrictions

1. Pursuant to Clause 4.1(c) of the Deed, the Mortgagor undertook to the Mortgagee throughout the Security Period that it shall upon demand by the Mortgagee and at its own expense, execute and deliver all such agreements and documents and do all such acts and things, as may be necessary or as the Mortgagee may require, in order (i) to create the security intended to be created in the Deed, to perfect and protect the security and the rights of the Mortgagee created in the Deed (or intended to be created in the Deed) and to obtain the full benefit of the Mortgage and other security rights; and (ii) to enable the Mortgagee to exercise and enforce its rights under the Deed and to facilitate the realisation thereof.
2. Pursuant to Clause 4.2 of the Deed, in addition and without prejudice to those undertakings of the Mortgagor, or made in respect of the Mortgagor and/or the Security Assets, in the Deed or in any of the other Loan Documents, the Mortgagor undertook to the Mortgagee throughout the Security Period, without the prior written consent of the Mortgagee save as otherwise permitted by the Loan Documents (such consent not to be unreasonably withheld or delayed), not to:
 - (a) sell (including by way of hire purchase agreement), transfer, let for hire, let on lease or otherwise dispose of the Security Assets or to agree to do any such thing;
 - (b) mortgage, pledge or in any way encumber the Security Assets or any part thereof or to allow the Security Assets to be encumbered with an Encumbrance at any time;
 - (c) make any alterations in or additions to the Real Property or any part thereof and not to remove any such approved alterations or additions;
 - (d) waive any qualitative rights and easements for the benefit of the Real Property;
 - (e) enter into any agreement for the rent, lease or other use of the Real Property and not to assign or pledge any rentals or other payments to be made under any such agreement, in either case, without the approval of the Mortgagee; and
 - (f) cause or permit to be done anything which may conflict with any provision of the Loan Documents or adversely affect the interests of the Mortgagee under the Deed, the validity or enforceability of the Deed or (the value of) the Security Assets.
3. Pursuant to Clause 6.1 of the Deed, the Mortgage shall continue in full force and effect during the Security Period and shall be in addition to and not adversely affect, or be adversely affected by, any other Loan Document. If there is a conflict between the Deed and the Loan and Security Agreement, then (to the extent permitted by Dutch law) the provisions of the Loan and Security Agreement shall take priority over the provisions of the Deed.
4. Pursuant to Clause 9.1 of the Deed, the Mortgagor for the benefit of the Mortgagee irrevocably appointed the Mortgagee with full right of substitution to be its attorney and on its behalf and in its name or otherwise (as the attorney may decide) to sign, execute seal, deliver, acknowledge, file, register and perfect any and all such agreements (including any agreements to which the Mortgagee itself is a party), and other documents and to do any and all such acts and things as the Mortgagor itself could (or ought to) do in relation to the Security Assets or in relation to any

matters dealt with in the Deed or as, in the opinion of the Mortgagee or any substitute acting reasonably, may be necessary or desirable to give full effect to the purposes of the Deed and the Mortgagor will ratify and confirm upon demand whatever the attorney or any substitute shall do or cause to be done in pursuance of the powers conferred to it under the Deed.

5. Pursuant to Clause 9.2 of the Deed, the Mortgagee shall not have any obligation whatsoever to exercise any of the powers conferred upon it by Clause 9.1 of the Deed. No action taken by or omitted to be taken by the attorney or any substitute in good faith shall give rise to any defence, counterclaim or set-off against the Mortgagee or otherwise adversely affect any of the Secured Obligations.
6. Pursuant to Clause 9.3 of the Deed, the Mortgagee will not exercise the powers conferred upon it by Clause 9.1 of the Deed unless and until:
 - (a) the occurrence of an Event of Default; or
 - (b) the Mortgagor has failed to comply with any of its obligations under the Deed.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00867053

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF MORTGAGE DATED THE 4th OCTOBER 2002 AND CREATED BY BORDEN CHEMICAL GB LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS (OTHER THAN THE COVENANT OBLIGATIONS) DUE OR TO BECOME DUE FROM ANY OBLIGOR (OTHER THAN A US OBLIGOR) TO FLEET NATIONAL BANK, LONDON UK BRANCH IN ITS CAPACITY OF SECURITY AGENT FOR AND ON BEHALF OF THE FINANCE PARTIES ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 18th OCTOBER 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 22nd OCTOBER 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —