

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Crompton Corporation		03/31/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Davis-Standard, LLC		
Street Address:	1 Extrusion Drive		
City:	Pawcatuck		
State/Country:	CONNECTICUT		
Postal Code:	06379		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	1171233	EX-M-PLAR	
Registration Number:	1870326	D-S	
Registration Number:	1004475	FIBERMASTER	
Registration Number:	1692437	SCRAPPER	
CORRESPONDENCE DATA			
Fax Number:	(860)442-3469		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	860-447-0335		
Email:	trademarks@tcors.com		
Correspondent Name:	Tobin, Carberry, O'Malley, Riley & Selin		
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Address Line 2:	P.O. Box 58		
Address Line 4:	New London, CONNECTICUT 06320		
NAME OF SUBMITTER:	Joseph J. Selinger, Jr.		
Signature:	/Joseph J. Selinger, Jr./		

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Date:

09/08/2011

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CONTRIBUTION AGREEMENT

among

CROMPTON HOLDING CORPORATION,

DAVIS STANDARD CORPORATION,

BCCM HOLDINGS, INC.,

BCCM, LLC

and

DAVIS-STANDARD, LLC

dated as of

March 31, 2005

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CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "Agreement"), dated as of March 31, 2005, made by and among Crompton Holding Corporation, a corporation organized under the Laws of Delaware ("Crompton"), Davis-Standard Corporation, a corporation organized under the Laws of Delaware ("Davis-Standard"), BCCM, LLC, a limited liability company organized under the Laws of Delaware ("BCCM"), BCCM Holdings, Inc., a corporation organized under the Laws of Delaware ("BCCM Holdings"), and Davis-Standard, LLC, a limited liability company organized under the Laws of Delaware ("NewCo").

WITNESSETH:

WHEREAS, Crompton is the sole shareholder of Davis-Standard;

WHEREAS, Davis-Standard, together with the German Subsidiaries, the French Subsidiary and the U.K. Subsidiary, are engaged in the design, sale, installation, service and support of extrusion systems and converting machinery (the "Davis-Standard Business");

WHEREAS, Davis-Standard desires to convert to a Delaware limited liability company prior to the Closing (the "Converted LLC");

WHEREAS, BCCM Holdings is the sole member of BCCM;

WHEREAS, BCCM is engaged in the design, sale, installation, service and support of extrusion systems and converting machinery (the "BCCM Business");

WHEREAS, NewCo is a newly created, wholly owned subsidiary of BCCM;

WHEREAS, Crompton will contribute one hundred percent (100%) of the Capital Stock of Converted LLC to NewCo in exchange for sixty-two and one half percent (62.5%) of the Common Membership Units of NewCo; and

WHEREAS, BCCM Holdings will contribute one hundred percent (100%) of the Capital Stock of BCCM to NewCo in exchange for thirty-seven and one half percent (37.5%) of the Common Membership Units of NewCo.

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants, agreements and undertakings contained or referred to in this Agreement, the parties hereby agree as follows:

ARTICLE I.

CERTAIN DEFINITIONS

1.1 Definitions. Capitalized terms used in this Agreement are used as defined in this Article I or elsewhere in this Agreement.

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Person in question. As used in this definition of Affiliate, the term *"control"* (including *"controlled by"* or *"under common control with"*) shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of Capital Stock, as trustee, by contract, or otherwise.

"Agreement" shall have the meaning set forth in the preamble.

"BCCM" shall have the meaning set forth in the preamble.

"BCCM Assets" shall mean the BCCM Real Property, BCCM Equipment, inventories, contracts, records, BCCM Intellectual Property, intangible property and Permits of BCCM and all other assets of BCCM that are in existence at the Effective Time other than the Excluded Assets.

"BCCM Assumed Liabilities" shall have the meaning set forth in Section 7.3.

"BCCM Business" shall have the meaning set forth in the recitals.

"BCCM Contribution" shall have the meaning set forth in Section 2.2.

"BCCM Employees" shall have the meaning set forth in Section 4.9.

"BCCM Equipment" shall have the meaning set forth in Section 4.11(a).

"BCCM Excluded Assets" shall have the meaning set forth in Section 2.4.

"BCCM Excluded Liabilities" shall have the meaning set forth in Section 2.5(b).

"BCCM Exit Amount" shall have the meaning set forth in Section 7.5(b).

"BCCM Holdings" shall have the meaning set forth in the preamble.

"BCCM Indemnitees" shall have the meaning set forth in Section 7.3(a)

"BCCM Intellectual Property" shall have the meaning set forth in Section 4.13.

"BCCM Intercompany Agreement" shall have the meaning set forth in Section 2.4(b).

"BCCM Material Contracts" shall have the meaning set forth in Section 4.15(a).

"BCCM Plans" shall have the meaning set forth in Section 4.16(a).

"BCCM Real Property" shall have the meaning set forth in Section 4.12(a).

"BCCM Statements" shall have the meaning set forth in Section 4.10(a).

"Borrowed Money" shall mean any revolving credit or term loans but shall specifically exclude capital leases.

"Capital Stock" shall mean any and all (i) shares, interest, units, participations or other equity equivalents of or equity interests (however designated) in capital stock of any Person including shares of preferred or preference stock, (ii) partnership interest (whether general or limited) in any Person which is a partnership, (iii) membership interests or limited liability company interests in any limited liability company, and (iv) other equity or ownership interests in any Person.

"Capital Stock Assignment" shall be such assignment document executed by each of BCCM Holding and Crompton, effecting the BCCM Contribution and the Crompton Contribution, respectively, in the form attached hereto as Exhibit A.

"Claim" shall mean any claim, counterclaim, demand, cause of action, notice of violation, order, or right to contribution or indemnification or other remedy made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any Governmental Authority, employee, former employee, or their respective legal representatives, heirs, beneficiaries and estates.

"Closing" shall have the meaning set forth in Section 8.1(a).

"Closing Date" shall have the meaning set forth in Section 8.1(a).

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commerzbank" means Commerzbank A.G.

"Common Membership Units" shall have the meaning specified in the Operating Agreement.

"Consent" or "Consents" shall have the meaning set forth in Section 3.6.

"Contributions" shall have the meaning set forth in Section 2.2.

"Converted LLC" shall have the meaning set forth in the recitals.

"Crompton" shall have the meaning set forth in the preamble.

"Crompton Contribution" shall have the meaning set forth in Section 2.1.

"Crompton Corporation Plans" shall have the meaning set forth in Section 3.16(b).

"Crompton Exit Amount" shall have the meaning set forth in Section 7.5(a).

"Crompton Indemnitees" shall have the meaning set forth in Section 7.2(a).

"Crompton Management Services Agreement" shall mean the Management Services Agreement between NewCo and Crompton, dated as of the Closing Date, substantially in the form attached hereto as Exhibit B.

"Crompton Transition Services Agreement" shall mean the Corporate Transition Services Agreement between NewCo and Crompton, dated as of the Closing Date, in form and substance as shall be negotiated in good faith by, and acceptable to, each of Crompton and BCCM Holdings.

"Damages" shall mean any and all obligations, liabilities, damages, penalties, deficiencies, losses and judgments, in each case after the application of any and all amounts recoverable under insurance contracts or similar arrangements and from third parties.

"Davis-Standard" shall have the meaning set forth in the preamble.

"Davis-Standard Assets" shall mean the Davis-Standard Real Property, Davis-Standard Equipment, inventories, contracts, records, Davis-Standard Intellectual Property, intangible property and Permits of Davis-Standard and all other assets of Davis-Standard or Converted LLC that are in existence at the Effective Time other than the Excluded Assets.

"Davis-Standard Assumed Liabilities" shall have the meaning set forth in Section 7.2.

"Davis-Standard Business" shall have the meaning set forth in the recitals.

"Davis-Standard Consolidated Balance Sheet" means, with regard to any given date, the consolidated balance sheet of Davis-Standard, the French Subsidiary, U.K. Subsidiary and German Subsidiaries.

"Davis-Standard Employees" shall have the meaning set forth in Section 3.9.

"Davis-Standard Equipment" shall have the meaning set forth in Section 3.11(a).

"Davis-Standard Excluded Assets" shall have the meaning set forth in Section 2.3.

"Davis-Standard Excluded Liabilities" shall have the meaning set forth in Section 2.5(a).

"Davis-Standard Intellectual Property" shall have the meaning set forth in Section 3.13.

"Davis-Standard Intercompany Agreements" shall have the meaning set forth in Section 2.3(c).

"Davis-Standard Foreign Intercompany Balance" means the amount (which may be a positive or negative number) equal to (i) the total amount owed by Crompton or any of its Affiliates (except NewCo or a subsidiary of NewCo) to the French Subsidiary, U.K. Subsidiary and the German Subsidiaries, as reflected on the Davis-Standard Consolidated Balance Sheet dated the Closing Date, less (ii) the total amount owed by the French Subsidiary, U.K. Subsidiary and the German Subsidiaries to Crompton or any of its Affiliates (except NewCo or a

subsidiary of NewCo), as reflected on the Davis-Standard Consolidated Balance Sheet dated the Closing Date.

"Davis-Standard Material Contracts" shall have the meaning set forth in Section 3.15(a).

"Davis-Standard Owned Real Property" shall have the meaning set forth in Section 3.12(a).

"Davis-Standard Plans" shall have the meaning set forth in Section 3.16(a)(i).

"Davis-Standard Real Property" shall have the meaning set forth in Section 3.12(b).

"Davis-Standard Real Property Leases" shall have the meaning set forth in Section 3.12(b).

"Davis-Standard Statements" shall have the meaning set forth in Section 3.10(a).

"Effective Time" shall mean 5:00 pm EST on the Closing Date.

"Encumbrance" shall mean any lien, claim, charge, encumbrance, pledge, security interest or restriction of any nature whatsoever and, with respect to real property, shall include, without limitation, any mortgage, easement, covenant, rights of ingress or egress or adverse possession or claim.

"Environment" shall mean any ambient, surface water, drinking water, groundwater, land surface, subsurface strata, river sediment, plant or animal life, natural resources, and real property and the physical buildings, structures, improvement and fixtures thereon, including, without limitation, the sewer, septic and waste treatment, storage or disposal systems servicing the properties.

"Environmental Law" shall mean any Law relating to: (a) the Environment and related to pollution, contamination, cleanup, protection, and reclamation of the Environment; (b) any Release or threatened Release, including, without limitation, investigation, study, assessment, testing, monitoring, containment, removal, remediation, cleanup and abatement of such Release or threatened Release; or (c) the manufacture, processing, use, handling, transportation, treatment, storage or disposal of any Hazardous Substance.

"Environmental Liabilities and Costs" shall mean any Damages arising from or relating to: (a) any Claim pursuant to Environmental Law for personal injury, property damage, damage to natural resources or the Environment, or threatened or actual Release (whether based on negligent acts or omissions, statutory liability, or strict liability without fault or otherwise); (b) any investigation, study, assessment, testing, monitoring, containment, removal, remediation, response, cleanup or abatement of any threatened or actual Release, whether on-site or off-site, in connection with the Assets or the activities or operations conducted thereon; and (c) the failure at any time to comply with all applicable Environmental Laws, including without limitation: (i) any fines and penalties assessed, levied or asserted by a Governmental Authority; and (ii) any Damages necessary to enable compliance with all applicable Environmental Laws currently in effect and requiring compliance as of the Closing.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Excluded Liabilities" shall have the meaning set forth in Section 2.5.

"French Subsidiary" shall have the meaning set forth in Section 5.9.

"GAAP" shall mean generally accepted accounting principles for financial reporting in the United States and, applied, in the case of Davis-Standard, on a basis consistent with the basis on which the Davis-Standard Statements were prepared and, in the case of BCCM, on a basis consistent with the basis on which the BCCM Statements were prepared.

"German Subsidiaries" shall have the meaning set forth in Section 3.4(a).

"Governmental Authority" shall mean any governmental, judicial, legislative, executive, administrative or regulatory authority of the United States, or of any state, local or foreign government or any subdivision, agency, commission, office or authority thereof, whether now or hereinafter in existence.

"Hazardous Substance" shall mean any pollutant, contaminant, constituent, chemical, mixture, raw material, intermediate, product or by-product, petroleum or any fraction thereof, asbestos or asbestos-containing material, polychlorinated biphenyls, urea formaldehyde foam insulation, or industrial, solid, toxic, radioactive, infectious, disease-causing or hazardous substance, material, waste or agent listed or regulated under any Environmental Law.

"HRCO" shall mean Hamilton Robinson LLC, a Delaware limited liability company.

"HRCO Corporate Services Agreement" shall mean the Corporate Services Agreement between NewCo and HRCO, dated as of the Closing Date, substantially in the form attached hereto as Exhibit C.

"HRCO Investment Banking Agreement" shall mean the Investment Banking Agreement between NewCo and HRCO, dated as of the Closing Date, substantially in the form attached hereto as Exhibit D.

"Keybank" means Keybank National Association.

"Keybank Facility" means the \$35,000,000 revolving credit facility with Keybank, and any amendments thereto.

"Law" shall mean any law, statute, legislation, common law, regulation, rule, ordinance, by-law, code, order, treaty, convention, directive or other requirement of any Governmental Authority or any agreement with any Governmental Authority.

"Losses" shall mean any and all claims, judgments, causes of actions, liabilities, obligations, damages, losses, deficiencies, costs, penalties, interest and expenses of counsel.

"Management Members" shall have the meaning specified in the Operating Agreement.

"Material Adverse Effect" shall mean (i) with respect to Davis-Standard (A) a material adverse effect on the business, financial condition, results of operations or properties of Davis-Standard, the German Subsidiaries, the French Subsidiary and the U.K. Subsidiary, taken as a whole or (B) the inability of Davis-Standard and Crompton to complete the Closing, in each case, other than due to any change, effect, event or occurrence relating to (1) the United States economy in general, (2) changes in legal or regulatory conditions that affect in general the businesses in which Davis-Standard and each of the German Subsidiaries, the French Subsidiary and the U.K. Subsidiary are engaged or (3) the industry or industries in which Davis-Standard, the German Subsidiaries, the French Subsidiary and the U.K. Subsidiary operate in general, and not specifically relating to Davis-Standard, the German Subsidiaries, the French Subsidiary or the U.K. Subsidiary, and (ii) with respect to BCCM (A) a material adverse effect on the business, financial condition, results of operations or properties of BCCM, or (B) the inability of BCCM and BCCM Holdings to complete the Closing, in each case, other than due to any change, effect, event or occurrence relating to (1) the United States economy in general, (2) changes in legal or regulatory conditions that affect in general the businesses in which BCCM is engaged or (3) the industry or industries in which BCCM operates in general, and not specifically relating to BCCM.

"Material Contract" shall mean a Davis-Standard Material Contract or a BCCM Material Contract.

"NewCo" shall have the meaning set forth in the preamble.

"Occupational Safety and Health Law" shall mean any legal requirement designed to provide safe and healthful working conditions and to reduce or inform employees of occupational safety and health hazards, including the Occupational Safety and Health Act.

"Operating Agreement" shall mean the amended and restated limited liability company agreement of NewCo, to be entered into by Crompton, BCCM Holdings and NewCo as of the Closing Date, substantially in the form attached hereto as Exhibit E.

"Permits" shall mean any and all permits, authorizations, approvals, registrations, rights of way, orders, waivers, variances or other approvals and licenses (a) under any Law or (b) granted by any Governmental Authority.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, association, trust or other entity or any government or political subdivision or any agency, department or instrumentality thereof.

"Proceeding" or "Proceedings" shall have the meaning set forth in Section 3.7.

"Qualified Plan" shall have the meaning set forth in Section 3.16(a).

"Records" shall mean, as to BCCM or Davis-Standard, as applicable, all customer lists, sales and business records, reports, survey documents, plans, data, records, drawings, diagrams, training manuals, correspondence, engineering, regulatory, Occupational Safety and Health Law, safety and environmental reports and documents, maintenance schedules, operating and production records, inventory records, copies of personnel records of employees, credit records

of customers and other documents which relate, as applicable, to the BCCM Business or the Davis-Standard Business.

"Related Agreements" shall mean the Operating Agreement, the Crompton Transition Services Agreement, the Crompton Management Services Agreement, the HRCo Investment Banking Agreement, and the HRCo Corporate Services Agreement.

"Release" shall mean any spill, discharge, leak, emission, injection, escape, dumping, leaching, dispersal, emanation, migration, disposal or release of any kind whatsoever of any Hazardous Substance or noxious noise or odor, at, in, on, into or onto the Environment, including, without limitation, the movement of any Hazardous Substance through or in the Environment, the abandonment or discard of barrels, containers, tanks or other receptacles containing or previously containing any Hazardous Substance, or any release, emission or discharge as those terms are defined in any Environment Law.

"Restricted Cash Amount" shall mean the amount in cash (denominated in either Euros or United States dollars) as of the Closing Date contributed periodically by Crompton on behalf of Davis-Standard, held in the name of the German Subsidiaries' bank account with Commerzbank in Germany and used as collateral to secure letters of credit issued by the German Subsidiaries and the U.K. Subsidiary.

"Subsidiary" of a Person shall mean (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries.

"Tax" or "Taxes" shall mean all federal, state, local or foreign income, gross receipts, windfall profits, severance, property, production, sales, use, license, excise, franchise, employment, withholding, transfer, payroll, goods and services, ad valorem, value-added or minimum tax, or any other tax, custom, duty, governmental fee, or other like assessment or charge of any kind whatsoever, together with any interest or any penalty, addition to tax or additional amount imposed by any Governmental Authority, whether disputed or not and including any obligations to indemnify or otherwise assume or succeed to the liability of any other Person for any of the foregoing.

"Tax Return" shall mean any return, report or similar statement required to be filed with respect to any Taxes (including any attached schedules), including, without limitation, any information return, claim or refund, amended return and declaration of estimated Tax.

"Termination Date" shall have the meaning set forth in Section 8.3.

"Trafalgar APA" shall mean the Asset Purchase Agreement, dated May 18, 1994, between Crompton & Knowles Corporation and Trafalgar House, Inc.

"Transfer Laws" shall have the meaning set forth in Section 5.13.

"Treasury Regulations" shall mean the Income Tax Regulations promulgated and effective under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"U.K. Subsidiary" shall have the meaning set forth in Section 5.9.

"Welfare Plan" shall have the meaning specified in Section 3.16(a).

ARTICLE II.

CONTRIBUTION

2.1 Davis-Standard Contribution. Upon the terms and subject to the conditions of this Agreement, Crompton agrees to contribute to NewCo, and NewCo agrees to accept from Crompton, one hundred percent (100%) of the Capital Stock of Converted LLC in exchange for sixty-two and one half percent (62.5%) of the Common Membership Units of NewCo (the "Crompton Contribution").

2.2 BCCM Contribution. Upon the terms and subject to the conditions of this Agreement, BCCM Holdings agrees to contribute to NewCo, and NewCo agrees to accept from BCCM Holdings one hundred percent (100%) of the Capital Stock of BCCM in exchange for thirty-seven and one half percent (37.5%) of the Common Membership Units of NewCo (the "BCCM Contribution" and together with the Crompton Contribution, the "Contributions").

2.3 Davis-Standard Excluded Assets. The parties acknowledge and agree that prior to the Closing, Davis-Standard shall transfer to Crompton or an Affiliate of Crompton or terminate its rights and obligations in and to the following assets (the "Davis-Standard Excluded Assets") and such assets are specifically excluded from any contribution pursuant to this Agreement whether or not they would otherwise be included in assets held by Converted LLC:

- (a) all rights of Davis-Standard or Crompton under this Agreement and all rights under any Related Agreements to which Crompton is a party;
- (b) the Restricted Cash, excluded pursuant to Section 8.3(a)(iii);
- (c) if a positive amount, all rights to the Davis-Standard Cash Balance; and
- (d) all rights and obligations of Davis-Standard or Crompton under any agreements and arrangements, whether written or oral, between Davis-Standard and Crompton or an Affiliate of Crompton entered into prior to the Closing including without limitation those agreements and arrangements set forth on Schedule 2.3(c) (the "Davis-Standard Intercompany Agreements").

2.4 BCCM Excluded Assets. The parties acknowledge and agree that prior to the Closing, BCCM shall transfer to BCCM Holdings or an Affiliate of BCCM Holdings or terminate its rights and obligations in and to the following assets (the "BCCM Excluded Assets")

and such assets are specifically excluded from any contribution pursuant to this Agreement whether or not they would otherwise be included in assets held by BCCM:

(a) all rights of BCCM or BCCM Holdings under this Agreement, and any rights under Related Agreements to which BCCM Holdings is a party; and

(b) all rights and obligations of BCCM under any agreements, whether written or oral, between BCCM and BCCM Holdings or an Affiliate of BCCM Holdings entered into prior to the Closing including without limitation those agreements set forth on Schedule 2.4(b) (the "BCCM Intercompany Agreements").

2.5 Excluded Liabilities. Notwithstanding anything to the contrary contained in Section 2.5, it is expressly understood and agreed that there shall be excluded from the liabilities and obligations being assumed by NewCo hereunder the following liabilities and obligations (collectively, the "Excluded Liabilities") and that references herein to BCCM Assumed Liabilities and Davis-Standard Assumed Liabilities shall not include the Excluded Liabilities:

(a) With respect to Crompton or Davis-Standard, as applicable, (i) any liability of Crompton or Davis-Standard under this Agreement or any liability of Crompton under any Related Agreement to which it is a party, (ii) any liability for Taxes imposed on Davis-Standard, Converted LLC or NewCo with respect to periods of time during which Davis-Standard or Converted LLC was included in a consolidated or combined tax return with Crompton and which relate solely to Taxes assessed against Affiliates of Davis-Standard (other than the German Subsidiaries, the French Subsidiary or the U.K. Subsidiary) who were included in such consolidated or combined tax return, (iii) any liability owed by Davis-Standard to an Affiliate of Davis-Standard, other than a Subsidiary of Davis-Standard (including the German Subsidiaries, the French Subsidiary and U.K. Subsidiary), under a Davis-Standard Intercompany Agreement, (iv) any liability of Davis-Standard and Crompton for Borrowed Money, (v) any liability for severance obligations of Crompton or Davis-Standard described on Schedule 3.9, (vi) if a negative amount, any liability associated with the Davis-Standard Cash Balance ((i) through (vi) collectively, the "Davis-Standard Excluded Liabilities").

(b) With respect to BCCM Holdings or BCCM, as applicable, (i) any liability of BCCM Holdings or BCCM under this Agreement or any liability of BCCM Holdings under any Related Agreement to which it is a party (ii) any liability owed by BCCM to HRCO or an Affiliate of BCCM under a BCCM or HRCO Intercompany Agreement, at the Effective Time and (iii) any liability of BCCM for Borrowed Money ((i) through (iii) collectively, the "BCCM Excluded Liabilities").

2.6 Assignment and Assumption.

(a) Davis-Standard hereby assigns, sells, transfers and sets over to Crompton all of Davis-Standard's right, title, benefit, privileges and interest in and to the Davis-Standard Excluded Assets, and all of Davis-Standard's burdens, obligations and liabilities in connection with, each of the Davis-Standard Excluded Liabilities. Crompton hereby accepts such assignment and assumes and agrees to observe and perform all of the duties, obligations, terms, provisions and covenants, and to pay and discharge all of the liabilities of Davis-Standard to be

observed, performed, paid or discharged from and after the Closing, in connection with the Davis Standard Excluded Liabilities.

(b) BCCM hereby assigns, sells, transfers and sets over to BCCM Holdings all of BCCM's right, title, benefit, privileges and interest in and to the BCCM Excluded Assets, and all of BCCM's burdens, obligations and liabilities in connection with, each of the BCCM Excluded Liabilities. BCCM Holdings hereby accepts such assignment and assumes and agrees to observe and perform all of the duties, obligations, terms, provisions and covenants, and to pay and discharge all of the liabilities of BCCM to be observed, performed, paid or discharged from and after the Closing, in connection with the BCCM Excluded Liabilities.

2.7 Benefits. Except as otherwise expressly provided in the Crompton Transition Services Agreement, NewCo shall not be a participating employer and no employees of NewCo shall be eligible to continue to be active participants in any employee benefit plan maintained by Crompton Corporation.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES OF DAVIS-STANDARD AND CROMPTON

Except as expressly provided in the Disclosure Schedule by reference to this Article III, each of Davis-Standard and Crompton, as applicable, represents and warrants to BCCM and NewCo as follows:

3.1 Organization. (a) Davis-Standard is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own and operate its properties and to carry on the Davis-Standard Business as now conducted. Davis-Standard is duly qualified, authorized or licensed to conduct the Davis-Standard Business as a Delaware corporation and, where applicable, is in good standing under the Laws of (i) each jurisdiction in which it owns or leases real property and (ii) each other jurisdiction in which the conduct of its business or the ownership of its properties requires such qualification, authorization or license, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) Crompton is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite corporate power and authority to own and operate its properties and to carry on its business as now conducted.

(c) As of the Closing Date, Converted LLC is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware. The copies of the Certificate of Conversion of the Converted LLC and the limited liability company agreement of Converted LLC, that have been delivered to BCCM Holdings as of the Closing Date are complete and correct and such Certificate of Conversion and limited liability company agreement are in full force and effect, and there have been no amendments or modifications thereto either made and/or approved.

3.2 Authority; Enforceability. (a) Davis-Standard has the corporate power and authority to enter into this Agreement and each of the Related Agreements to which it is a party

and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the Related Agreements to which it is a party, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the Board of Directors of Davis-Standard and no other corporate proceeding on the part of Davis-Standard is necessary to authorize the execution or delivery of this Agreement or any of the Related Agreements to which it is a party or the consummation of any of the transactions contemplated hereby or thereby. With respect to Davis-Standard, each of this Agreement and the Related Agreements to which it is a party is, or upon its execution and delivery will be, legal, valid, binding and enforceable in accordance with its terms.

(b) Crompton has the corporate power and authority to enter into this Agreement and each of the Related Agreements to which it is a party and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the Related Agreements to which it is party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the Board of Directors of Crompton, and no other corporate proceeding on the part of Crompton is necessary to authorize the execution or delivery of this Agreement or any of the Related Agreements to which it is a party or the consummation of any of the transactions contemplated hereby or thereby. With respect to Crompton, each of this Agreement and the Related Agreements to which it is a party is, or upon its execution and delivery will be, legal, valid, binding and enforceable in accordance with its terms.

3.3 No Breach. Except as set forth on Schedule 3.3, the execution and delivery of this Agreement, any applicable Related Agreements and the consummation of the transactions contemplated hereby and thereby does not and will not (i) conflict with or violate any provision of the certificate of incorporation or by-laws of Davis-Standard or Crompton, (ii) violate, conflict with or result in the breach or termination of, or otherwise give any other Person the right to terminate, or constitute a default, event of default or an event which with notice, lapse of time, or both, would constitute a default or event of default under the terms of, any Davis-Standard Material Contract or Permit to which Davis-Standard is a party or by which it or its securities, properties or businesses (including, but not limited to, the Davis-Standard Business) are bound, (iii) result in the creation of any liens upon any of the Davis-Standard Assets or (iv) constitute a violation by Davis-Standard or Crompton of any judgment or ruling of any Governmental Authority.

3.4 Capitalization of Davis-Standard; Subsidiaries. (a) The authorized Capital Stock and number of issued and outstanding shares of Capital Stock of Davis-Standard are as set forth on Schedule 3.4. Crompton owns all of the issued and outstanding shares of Capital Stock of Davis-Standard. No shares of Capital Stock are held in Davis-Standard's treasury. The Capital Stock of Davis-Standard constitute all of the issued and outstanding shares of Capital Stock of Davis-Standard, and all of the Capital Stock has been duly authorized and validly issued, are fully paid and non-assessable and are owned of record and beneficially by Crompton. Davis-Standard does not have any authorized class of Capital Stock other than its common stock. The Capital Stock has been issued and sold in full compliance with all applicable federal and state securities laws. The Capital Stock is not bound by or subject to any proxy, agreement, voting trust or other restriction regarding the voting thereof. Davis-Standard holds all of the issued and outstanding Capital Stock of Davis-Standard (Deutschland) GmbH (Germany), a German limited liability company (GmbH), which in turn holds all of the issued and outstanding

Capital Stock in Davis-Standard GmbH (Germany), a German limited liability company (GmbH) (collectively, the "German Subsidiaries"). As of the date hereof, Davis-Standard neither owns nor has owned any shares of Capital Stock or other securities of, or any other interest in, nor does Davis-Standard control or has it controlled, directly or indirectly, any other Person other than the German Subsidiaries.

(b) As of the Closing Date, Converted LLC holds all of the allotted and issued Capital Stock of the U.K. Subsidiary and the French Subsidiary and all of such Capital Stock has been duly authorized and validly issued, is fully paid-up and is legally and beneficially owned by Converted LLC. Neither the U.K. Subsidiary nor the French Subsidiary has any authorized class of Capital Stock other than its ordinary shares. Such Capital Stock has been issued and sold in full compliance with all applicable securities laws. Such Capital Stock is not bound by or subject to any proxy, agreement, voting trust or other restriction regarding the voting thereof. As of the Closing Date, Converted LLC neither owns nor has owned any shares of Capital Stock or other securities of, or any other interest in, nor does Davis-Standard control or has it controlled, directly or indirectly, any other Person other than the German Subsidiaries, the U.K. Subsidiary and the French Subsidiary.

3.5 No Rights to Purchase or Register Stock. No person, firm or corporation has any written or oral agreement, option, warrant, call, understanding, commitment, or any right or privilege capable of becoming a binding agreement for the acquisition of shares of any Capital Stock of Davis-Standard or the German Subsidiaries, the U.K. Subsidiary or the French Subsidiary. Except as provided by this Agreement, neither Davis-Standard nor Crompton has otherwise agreed to issue or sell any shares of Davis-Standard's Capital Stock. Davis-Standard is not obligated directly, indirectly or contingently to purchase any shares of its Capital Stock, and since January 1, 1995, Davis-Standard has not, directly or indirectly, repurchased any shares of its Capital Stock.

3.6 Consents. Except as set forth on Schedule 3.6, no material consent, waiver, approval, authorization, exemption, registration, license or declaration (each a "Consent" and collectively, "Consents") of or by, or filing with, any other Person (including, but not limited to, any Governmental Authority) is required with respect to Davis-Standard or Crompton in connection with the execution, delivery or enforceability of this Agreement or the Related Agreements to which it is a party or the consummation of any of the transactions provided for hereby or thereby; provided, however, that nothing in this Section 3.6 shall constitute a representation, warranty or guarantee by Davis-Standard that NewCo will be able to obtain the consent or agreement of any third party to the assignment or sublease to NewCo of any Permits required for conducting the Davis-Standard Business, any contracts of Davis-Standard or other assets of Davis-Standard.

3.7 Actions and Proceedings. Except as set forth on Schedule 3.7, no action, suit, or legal, administrative or arbitration proceeding, prosecution or investigation (each a "Proceeding" and collectively, "Proceedings") affecting either Davis-Standard or Crompton is pending or, to Davis-Standard's or Crompton's knowledge, threatened or contemplated before any court, arbitrator, Governmental Authority or similar body to restrain or prohibit, or to obtain damages, a discovery order or other relief in connection with or affecting the Davis-Standard Assets, the Davis-Standard Business, the execution of this Agreement or any applicable Related

Agreements or any of the transactions contemplated hereby or thereby which could have, or could reasonably be expected to have, a Material Adverse Effect.

3.8 Brokers. Neither Crompton nor any Person acting on behalf of Crompton or its Affiliates has employed any broker, finder or investment banker incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated herein for which any other party hereto shall be liable.

3.9 Employee Matters. (a) Schedule 3.9 sets forth a list of all of the employees of Davis-Standard (the "Davis-Standard Employees"). Except as set forth on Schedule 3.9, Davis-Standard has no written employment contract or collective bargaining agreement with any of the Davis-Standard Employees, their agents, unions or other representatives. There are no material disputes, employee grievances or disciplinary actions pending or threatened by or between Davis-Standard and any of the Davis-Standard Employees. With respect to the Davis-Standard Employees, Davis-Standard has complied in all material respects with all provisions of all Laws relating to the employment of labor and has no material liability for any arrears of wages or taxes or penalties for failure to comply with any such law or for any severance or termination payments of any type. Except as set forth on Schedule 3.9, no election or Proceeding relating to the labor relations of Davis-Standard is pending or threatened. Except as set forth on Schedule 3.9, there are no current or pending workers' compensation claims involving Davis-Standard.

(b) Davis-Standard has not violated any Law regarding the terms and conditions of employment of any Davis-Standard Employees or other labor related matters with respect to the Davis-Standard Employees, including, without limitation, Laws relating to discrimination, fair labor standards, Occupational Safety and Health Law, wrongful discharge or violation of personal rights of employees or prospective employees which, taken alone or together with any other such violation or violations, would reasonably be expected to have a Material Adverse Effect.

3.10 Financial Statements and Condition. (a) Attached hereto as Schedule 3.10(a) are unaudited balance sheets and income statements of Davis-Standard as of and for the fiscal year ended December 31, 2004, and an unaudited balance sheet and income statement for the two months ended February 28, 2005. Such statements and the notes thereto (collectively, the "Davis-Standard Statements") were prepared by Davis-Standard on a consistent basis in accordance with the systems and procedures of accounting used by Davis-Standard during such years for the preparation of internal management reports and present the information contained therein in accordance with GAAP.

(b) Except as set forth on Schedule 3.10(b) or otherwise contemplated in this Agreement, since February 28, 2005, the Davis-Standard Business has been conducted in the ordinary course of business consistent with past practice.

3.11 Equipment. (a) Schedule 3.11(a) contains a complete and accurate list of all material equipment, machinery, vehicles (including trucks, tractors and trailers), spare parts, furniture, fixtures, and similar items of personal property owned or used by Davis-Standard with a value in excess of one hundred thousand dollars (\$100,000) (the "Davis-Standard Equipment"). Except as set forth on Schedule 3.11(a), Davis-Standard has the unrestricted right to sell and

transfer, and upon consummation of the transactions contemplated hereby, NewCo will receive, good and marketable title to the Davis-Standard Equipment, free and clear of all Encumbrances.

(b) The Davis-Standard Equipment listed on Schedule 3.11(b) is in as-is, where-is condition.

3.12 Title to Real Property. (a) Schedule 3.12(a) contains a complete and accurate list of all real property which Davis-Standard, the German Subsidiaries, the U.K. Subsidiary and the French Subsidiary own and real property which Crompton owns that is used in connection with the Davis-Standard Business (the "Davis-Standard Owned Real Property"). Crompton or Davis-Standard, as applicable, has good, marketable and indefeasible title in fee simple to the Davis-Standard Owned Real Property free and clear of all Encumbrances, except as set forth on Schedule 3.12(a).

(b) Schedule 3.12(b) contains a complete list of the real property which is leased by Davis-Standard, the German Subsidiaries, the U.K. Subsidiary and the French Subsidiary (the "Davis-Standard Real Property Leases" and, together with the Davis-Standard Owned Real Property, the "Davis-Standard Real Property") and identifies, for each Davis-Standard Real Property Lease, the parties thereto and provides a summary of the material terms thereof. Davis-Standard has good and marketable title to, and actual and exclusive possession of, the leasehold estates in all Davis-Standard Real Property Leases, in each case free and clear of all Encumbrances other than (i) mechanics' and materialmen's liens for construction in progress and workmen's, repairmen's, warehousemen's and carriers' liens arising in the ordinary course of business; (ii) liens for Taxes not yet payable and for Taxes being contested in good faith; (iii) Encumbrances arising out of, under or in connection with this Agreement; (iv) Encumbrances and imperfections of title, the existence of which would not materially affect the use of the property subject thereto, consistent with past practice; and (v) Encumbrances disclosed on Schedule 3.12(a). Except as set forth on Schedule 3.12(b), none of the property covered by the Davis-Standard Real Property Leases is subject to any lease, sublease, license or other agreement granting to any Person other than Davis-Standard any right to the use, occupancy or enjoyment of such property or any part thereof.

(c) Except as set forth on Schedule 3.12(c), Davis-Standard has all certificates of occupancy and other material Permits necessary for the current use and operation by Davis-Standard of the Davis-Standard Real Property.

(d) Except as set forth on Schedule 3.12(d), to Davis-Standard's knowledge, no part of any of the Davis-Standard Real Properties is subject to any building or use restriction that would restrict or prevent the present use and operation of such Davis-Standard Real Property and the Davis-Standard Real Property is properly and duly zoned for its current use by Davis-Standard and the continuation of such use by NewCo following the Closing, and such current use is in all respects a conforming use by Davis-Standard.

(e) Except as set forth on Schedule 3.12(e), there does not exist any actual or, to the knowledge of Davis-Standard, threatened or contemplated condemnation or eminent domain proceedings that affect any Davis-Standard Real Property or any part thereof, and Davis-

Standard has not received any notice, oral or written, of the intention of any Governmental Authority or other Person to make or use all or any part thereof.

(f) All material improvements included within the Davis-Standard Real Property are in as-is, where-is condition. Except as set forth in Schedule 3.12(f), all water, gas, electrical, steam, compressed air, telecommunication, sanitary and storm sewage lines and systems and other similar systems serving each Davis-Standard Real Property are installed and operating and, to Davis-Standard's knowledge, are sufficient to enable such Davis-Standard Real Property to continue to be used and operated in the manner currently being used and operated.

(g) Except as set forth on Schedule 3.12(g), each Davis-Standard Real Property has rights of access to public way and is served by water, sewer, sanitary sewer and storm drain facilities adequate to service each Davis-Standard Real Property for its current use. Except as set forth on Schedule 3.12(g), all public utilities necessary or convenient to the full use and enjoyment of each Davis-Standard Real Property are located in the public right-of-way abutting such Davis-Standard Real Property, and, to Davis-Standard's knowledge, all such utilities are connected so as to serve the Davis-Standard Real Property without passing over other property. Except as set forth on Schedule 3.12(g), all roads and railroads necessary for the use of each Davis-Standard Real Property for its current purpose have been completed and (if appropriate) dedicated to public use and accepted by all Governmental Authorities.

(h) Except as set forth on Schedule 3.12(h), to Davis-Standard's knowledge, each Davis-Standard Real Property is comprised of one or more parcels, each of which constitutes a separate tax lot and does not constitute a portion of any other tax lot not part of such Davis-Standard Real Property.

(i) Except as set forth on Schedule 3.12(i), none of the Davis-Standard Real Properties are located in a flood hazard area as defined by the Federal Insurance Administration.

3.13 Intellectual Property. (a) Schedule 3.13(a) sets forth an accurate and complete list of all patents, patent applications, licenses, trademarks, trade names, service marks and registered copyrights and all pending applications for the same (together with all proprietary know-how) owned, licensed or possessed by Davis-Standard (the "Davis-Standard Intellectual Property"). Except as set forth on Schedule 3.13(a), to Davis-Standard's knowledge, there are no adverse claims or demands, including any Proceedings, of any Person pertaining to the Davis-Standard Intellectual Property. Davis-Standard Intellectual Property that is necessary for the conduct of its business as now being conducted consists solely of items and rights that are either: (i) owned solely by Davis-Standard; (ii) in the public domain; or (iii) rightfully used and authorized for use by Davis-Standard and its successors pursuant to a valid license. Davis-Standard is not, nor as a result of the execution or delivery of this Agreement and all other agreements contemplated hereby, or performance of Davis-Standard's obligations hereunder or the consummation of the transactions contemplated herein, will Davis-Standard be, in violation of any license, sublicense or other agreement relating to any Davis-Standard Intellectual Property to which Davis-Standard is a party or otherwise bound and which violation would have a Material Adverse Effect. To the extent Davis-Standard or its Affiliates owns Davis-Standard Intellectual Property, to the knowledge of Davis-Standard and Crompton the use of such Davis-Standard Intellectual Property by Davis-Standard and, to the knowledge of Davis-Standard and

Crompton, the use of such Davis-Standard Intellectual Property by Davis-Standard's customers, does not infringe any copyright, patent, trade secret, trademark, service mark, trade name, firm name, logo, trade dress, mask work, moral right, other intellectual property right, right of privacy, or right in personal data of any person, which infringement, if prosecuted, would have a Material Adverse Effect.

(b) Except as set forth on Schedule 3.13(b), no claims (i) challenging the validity, effectiveness, or ownership by Davis-Standard of any Davis-Standard Intellectual Property, or (ii) to the effect that the use, reproduction, modification, manufacturing, distribution, licensing, sublicensing, sale, or any other exercise of rights in any product, work, technology, service, or process as used, provided or offered at any time, or as proposed for use, reproduction, modification, distribution, licensing, sublicensing, sale, or any other exercise of rights, by Davis-Standard infringes or will infringe on any intellectual property or other proprietary or personal right of any Person have been asserted against Davis-Standard or, to the knowledge of Crompton and Davis-Standard, are threatened by any Person nor to the knowledge of Crompton or Davis-Standard are there any valid grounds for any bona fide claim of any such kind. Except as set forth on Schedule 3.13(b), there are no Proceedings or court orders, or other governmental proceedings, including interference, re-examination, reissue, opposition, nullity, or cancellation proceedings pending that relate to any Davis-Standard Intellectual Property, other than review of pending applications for patents or trademarks, and Davis-Standard is not aware of any information indicating that such proceedings are threatened or contemplated by any Governmental Authority or any other Person. To the knowledge of Davis-Standard and Crompton, all granted or issued patents and mask works and all registered trademarks owned by Davis-Standard and all copyright registrations held by Davis-Standard are valid, enforceable and subsisting. To the knowledge of Davis-Standard and Crompton, there is no unauthorized use, infringement, or misappropriation of any Davis-Standard Intellectual Property by any third party, employee or former employee.

3.14 Compliance with Legal Requirements. (a) Except as set forth on Schedule 3.14(a), Davis-Standard has not received written notice that it is in violation of the terms of any Permits applicable to the Davis-Standard Business or the Davis-Standard Assets which has not been remedied by Davis-Standard.

(b) Except as set forth on Schedule 3.14(b), Davis-Standard has not received written notice from any Governmental Authority having jurisdiction alleging that Davis-Standard is in violation or default with respect to any Law applicable to the Davis-Standard Business or to the Davis-Standard Assets which has not been remedied by Davis-Standard.

3.15 Davis-Standard Material Contracts. (a) Schedule 3.15(a) sets forth a complete list of (i) all customer contracts for which there is a receivable due Davis-Standard, (ii) all customer contracts for orders not yet shipped, (iii) all vendor contracts related to the Davis-Standard Business (exclusive of any Davis-Standard Excluded Assets) which require payments in excess of \$300,000 annually, or which vendor contracts are otherwise material to the Davis-Standard Business, and (iv) all sales representative contracts between Davis-Standard and its sales representatives (the "Davis-Standard Material Contracts"), complete and accurate copies of which have been given or made available to BCCM.

(b) Except as set forth on Schedule 3.15(b), each Davis-Standard Material Contract listed on Schedule 3.15(a) is in full force and effect in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. Except as set forth in Schedule 3.15(b), there is no default or claim of default under any Davis-Standard Material Contract listed therein and, to Davis-Standard's knowledge, no event has occurred, or is reasonably expected to occur (including without limitation the consummation of the transactions contemplated by this Agreement), that, with the passage of time or the giving of notice or both, would constitute a default by Davis-Standard or any other party thereto under any Davis-Standard Material Contract, or would permit modification, acceleration or termination of any Davis-Standard Material Contract, or result in the creation of any lien on any of the Davis-Standard Assets, other than such defaults, claims or events as would not have a Material Adverse Effect.

3.16 Pension Plans, Benefits, etc. (a) Davis-Standard. (i) Schedule 3.16(a)(i) lists all employee welfare benefit plans as defined in Section 3(1), and all employee pension benefit plans as defined in Section 3(2) of ERISA, that are maintained for the benefit of any of the Davis-Standard Employees by Davis-Standard in its name, and all material plans, programs, arrangements, contracts, collective bargaining agreements and established working practices providing for present and future payments of any kind to any Davis-Standard Employees or dependents or beneficiaries thereof. Such plans are referred to herein as the "Davis-Standard Plans." Each Davis-Standard Plan is identified in Schedule 3.16(a)(i), if applicable, as a qualified plan if it is qualified under Section 401(a) of the Code (a "Qualified Plan") or an employee welfare benefit plan, as defined in Section 3(1) of ERISA (a "Welfare Plan").

(ii) Except as set forth in Schedule 3.16(a)(ii), with respect to each Davis-Standard Plan, there has been delivered or made available to BCCM: (1) a copy of the annual report, if required under ERISA, with respect to each such Davis-Standard Plan for the last year for which a report was filed and a copy of each summary plan description, if applicable, or other plan description; (2) a copy of the Davis-Standard Plan or, if the Davis-Standard Plan is embodied entirely in an insurance policy to which Davis-Standard is a party, a copy of such insurance policy and the summary plan description, together with each summary of material modifications required under ERISA with respect to such Davis-Standard Plan subsequent to the summary plan description; and (3) if the Davis-Standard Plan is funded through a trust or any third party funding vehicle (other than an insurance policy), a copy of the trust or other funding agreement and the latest financial statement thereof.

(iii) Except for the Davis-Standard Plans and except as set forth on Schedule 3.16(a)(iii), Davis-Standard does not maintain or contribute to, or have any obligation to contribute to, any material plan, program, arrangement, agreement or commitment with respect to the Davis-Standard Employees.

(iv) No Davis-Standard Plan is a "multi-employer plan" within the meaning of Section 4001(a)(3) of ERISA.

(v) Except as set forth on Schedule 3.16(a)(v), (1) no event has occurred with respect to any Davis-Standard Plan that would reasonably be expected to result in any material liability under ERISA, the Code or any other Law applicable to such plan or under any agreement, instrument, or Law pursuant to or under which Davis-Standard has agreed to indemnify any Person against liability incurred under, or for a violation or failure to satisfy the requirements of, any such Law; (2) no amendment to any of the Davis-Standard Plans is in process, except as necessary to effectuate the transactions contemplated by this Agreement; (3) none of the Davis-Standard Plans is subject to any pending claim (other than routine claims for benefits), which claims would have, or could reasonably be expected to have, a Material Adverse Effect and (4) with respect to each Davis-Standard Plan that is subject to Title IV or Part 3 of Title I of ERISA or Section 412 of the Code, (i) no reportable event (within the meaning of Section 4043 of ERISA, other than an event that is not required to be reported before or within 30 days of such event) has occurred, (ii) there was not an accumulated funding deficiency (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, as of the most recently ended plan year of such Davis-Standard Plan, and (iii) there is no "unfunded current liability" (within the meaning of Section 302(d)(8)(A) of ERISA).

(vi) Except as set forth on Schedule 3.16(a)(vi), no Davis-Standard Plan provides benefits, including death and medical benefits, with respect to any Davis-Standard Employees beyond their retirement or other termination of service other than (1) coverage mandated by Part 6 of Title I of ERISA or Section 4980B of the Code, (2) retirement or death benefits under any employee pension benefit plan (as defined under Section 3(2) of ERISA), (3) disability benefits under any employee welfare plan that have been fully provided for by insurance or otherwise, or (4) benefits in the nature of severance pay.

(b) Crompton Corporation. Schedule 3.16(b) lists all employee welfare benefit plans as defined in Section 3(1), and all employee pension benefit plans as defined in Section 3(2) of ERISA, that are maintained by Crompton Corporation in its name for the benefit of any of the Davis-Standard Employees, and all material plans, programs, arrangements, contracts, collective bargaining agreements and established working practices by Crompton Corporation in its name providing for present and future payments of any kind to any Davis-Standard Employees or dependents or beneficiaries thereof. Such plans are referred to herein as the "Crompton Corporation Plans." Each Crompton Corporation Plan is identified in Schedule 3.16(b), if applicable, as a Qualified Plan or as a Welfare Plan.

3.17 Labor Disputes. Except as set forth on Schedules 3.9 or 3.17, there is not pending or, to the knowledge of Davis-Standard, threatened, any labor litigation, claim or dispute affecting any Davis-Standard Plan or any Davis-Standard Employees (other than routine claims for benefits), which would have, or could reasonably be expected to have, a Material Adverse Effect.

3.18 Absence of Certain Changes. Except as provided for or permitted by this Agreement or as set forth on Schedule 3.18, since February 28, 2005, the Davis-Standard

Business has been operated and the Davis-Standard Assets have been used or held by Davis-Standard only in the ordinary course of business and there have been no material capital expenditures, material changes in financial condition or prospects, material damage or destruction to or affecting the Davis-Standard Assets, revaluation of the Davis-Standard Assets, sales or other dispositions of capital assets, increases in salaries or other compensation payable to the Davis-Standard Employees or amendments or terminations of material contracts or waivers of material rights which would have, or could reasonably be expected to have, a Material Adverse Effect. Moreover, except as set forth on Schedule 3.18, since February 28, 2005, there has been no material change in the accounting methods or practices or in the depreciation or amortization policies or rates adopted or followed by, as applicable, Davis-Standard or Crompton.

3.19 Insurance, Bonds, Letters of Credit. Schedule 3.19 sets forth a list of all material insurance policies, bonds, letters of credit or similar documents held by Davis-Standard or by Crompton in connection with the Davis-Standard Business. To Davis-Standard or Crompton's knowledge, such policies, bonds, letters of credit and similar documents are in full force and effect and provide the coverage required under the obligations to which they relate.

3.20 Environmental Matters. Notwithstanding any other provision of this Agreement to the contrary, the provisions of this Section 3.20 shall be the exclusive representations and warranty provisions governing Environmental Matters. Except as set forth on Schedule 3.20:

(a) To the knowledge of Davis-Standard, the Davis-Standard Business is in compliance in all material respects with all applicable Environmental Laws;

(b) To the knowledge of Davis-Standard, with respect to the Davis-Standard Business, Davis-Standard has obtained all material Permits required pursuant to Environmental Law and such Permits are in full force and effect. To the knowledge of Davis-Standard, the Davis-Standard Business is in compliance in all material respects with the terms and conditions of such Permits;

(c) to Davis-Standard's knowledge, no material Release at, in, on, under, affecting or migrating to or from the Davis-Standard Real Property has occurred at any time and no material amount of a Hazardous Substance has been intentionally disposed of at, in, on or under the Davis-Standard Real Property. To Davis-Standard's knowledge, none of the Davis-Standard Real Property presently requires or previously required interim status or a hazardous waste permit for the treatment, storage or disposal of hazardous waste pursuant to the Resource Conservation and Recovery Act, as amended, or pursuant to any state hazardous waste statute or regulation;

(d) to the knowledge of Davis-Standard (i) all solid wastes and hazardous wastes, including, without limitation, Hazardous Substances, generated or present at the Davis-Standard Assets have been at all times and are on the date hereof stored, treated, recycled or disposed of at off-site facilities; (ii) Davis-Standard has not received any written notice indicating that such facilities have been placed or proposed to be placed on the National Priorities List, the Comprehensive Environmental Response Compensation Liability Information System, or their

state equivalents; and (iii) Davis-Standard has not been notified that it has been identified as a potentially responsible party respecting such off-site storage, treatment, recycling or disposal;

(e) to the knowledge of Davis-Standard, there is (i) no pending or proposed changes to applicable Permits issued pursuant to Environmental Law which would have a Material Adverse Effect and (ii) pending or proposed action by any Governmental Authority which would result in the revocation or material amendment of the terms of any permits, the material increase of any fees (or the assessment of any material additional or new fees) payable by Davis-Standard, in connection with the disposal of wastewater or solid wastes from Davis-Standard's plants, or any other material change in Davis-Standard's ability to dispose of wastewater or solid waste from its plants, or its costs associated therewith.

(f) Crompton Corporation is the successor to Crompton & Knowles Corporation, a Massachusetts corporation and the "Buyer" pursuant to the Trafalgar APA. To the knowledge of Crompton and Davis-Standard, none of Crompton, Davis-Standard nor any Affiliate of Crompton has taken any action to void, impair or otherwise alter the rights to indemnification under Section 8.4 of the Trafalgar APA.

3.21 Relationships with Affiliates. Schedule 3.21 sets forth a complete description of all material business relationships maintained between Davis-Standard and its Affiliates (including, without limitation, business relationships between Davis-Standard and other divisions and/or profit centers of Crompton) in connection with the conduct of the Davis-Standard Business, including those business relationships that are not conducted on an arms-length basis.

3.22 Taxes. (a) Except as set forth in Schedule 3.22, each of Davis-Standard and its Subsidiaries has filed all Tax Returns that it was required to file under applicable laws and regulations. Except as set forth in Schedule 3.22, all such Tax Returns were correct and complete in all respects and have been prepared in substantial compliance with all applicable laws and regulations. Except as set forth in Schedule 3.22, all Taxes due and owing by any of Davis-Standard and its Subsidiaries (whether or not shown on any Tax Return) have been paid. Neither Davis-Standard nor any of its Subsidiaries currently is the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been made by an authority in a jurisdiction where any of Davis-Standard and its Subsidiaries does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. There are no liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of Davis-Standard or any of its Subsidiaries.

(b) Each of Davis-Standard and its Subsidiaries has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(c) Schedule 3.22(c) lists all federal, state, local, and foreign Tax Returns filed with respect to any of Davis-Standard and its Subsidiaries for taxable periods ended on or after December 31, 2000, indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. Davis-Standard has delivered to BCCM Holdings correct and complete copies of each Form 1120 of Davis-Standard with respect to Crompton's consolidated federal income tax returns filed for taxable years 2000, 2001, 2002 and 2003.

(d) Except as set forth in Schedule 3.22(d), neither Davis-Standard nor any of its Subsidiaries has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) Neither Davis-Standard nor any of its Subsidiaries is a party to any agreement, contract, arrangement or plan that has resulted or would result, separately or in the aggregate, in the payment of (i) any "excess parachute payment" within the meaning of Code §280G (or any corresponding provision of state, local or foreign Tax law) and (ii) any amount that will not be fully deductible as a result of Code §162(m) (or any corresponding provision of state, local or foreign Tax law). Neither Davis-Standard nor any of its Subsidiaries has been a United States real property holding corporation within the meaning of Code §897(c)(2) during the applicable period specified in Code §897(c)(1)(A)(ii). Neither Davis-Standard nor any of its Subsidiaries is a party to or bound by any Tax allocation or sharing agreement with any party other than Crompton Corporation or its Affiliates (other than Davis-Standard and its Subsidiaries). None of the Subsidiaries (A) has been a member of an affiliated group filing a consolidated federal income Tax Return or (B) has any liability for the Taxes of any Person (other than any of Davis-Standard and its Subsidiaries) under Reg. §1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(f) None of Davis-Standard and its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (A) change in method of accounting for a taxable period ending on or prior to the Closing Date; (B) "closing agreement" as described in Code §7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (C) intercompany transactions or any excess loss account described in Treasury Regulations under Code §1502 (or any corresponding or similar provision of state, local or foreign income Tax law); (D) installment sale or open transaction disposition made on or prior to the Closing Date; or (E) prepaid amount received on or prior to the Closing Date.

3.23 Disclosure of all Material Matters. No statement of fact made by either of Crompton or Davis-Standard and set forth in this Agreement (including without limitation all information in the Davis-Standard Statements and the other Schedules, Exhibits, and attachments hereto, taken as a whole) or delivered by Crompton or Davis-Standard at the Closing is false or misleading in any material respect, and this Agreement (including, without limitation all information in the Davis-Standard Statements and the other Schedules, Exhibits, and attachments hereto, taken as a whole) or any information delivered by Davis-Standard or Crompton at the Closing does not omit to state a material fact necessary in order to make any such statement made or information disclosed, in the light of the circumstances under which it was made or disclosed, not misleading.

3.24 DISCLAIMER. THE WARRANTIES OF DAVIS-STANDARD AND CROMPTON IN THIS ARTICLE III ARE EXCLUSIVE AND ARE IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHER IMPLIED WARRANTY OF QUALITY.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES OF BCCM AND BCCM HOLDINGS

Except as expressly provide in the Disclosure Schedule by reference to this Article IV, each of BCCM Holdings and BCCM represents and warrants to Crompton, Davis-Standard and NewCo that:

4.1 Organization. (a) BCCM is a limited liability company duly organized, validly existing and in good standing under the Laws of Delaware and has full corporate power and authority to own and operate its properties and to carry on the BCCM Business as now conducted. BCCM is in good standing under the Laws of (i) each jurisdiction in which it owns or leases real property and (ii) each other jurisdiction in which the conduct of its business or the ownership of its properties requires such qualification, authorization or license, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) BCCM Holdings is a corporation duly formed, validly existing and in good standing under the Laws of the State of Delaware. The copy of the Certificate of Incorporation of the company, that has been delivered to Crompton is complete and correct and such Certificate of Incorporation is in full force and effect and there have been no amendments or modifications thereto either made and/or approved.

4.2 Authority; Enforceability. BCCM has the corporate power and authority to enter into this Agreement and each of the Related Agreements to which it is a party and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the Related Agreements to which it is a party, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the sole member of BCCM, BCCM Holdings, and no other corporate proceeding on the part of BCCM or its Affiliates is necessary to authorize the execution or delivery of this Agreement or any of the Related Agreements to which it is a party or the consummation of any of the transactions contemplated hereby or thereby. With respect to BCCM, each of this Agreement and the Related Agreements to which it is a party is, or upon its execution and delivery will be, legal, valid, binding and enforceable in accordance with its terms.

4.3 No Breach. Except as set forth on Schedule 4.3, the execution and delivery of this Agreement, any applicable Related Agreements and the consummation of the transactions contemplated hereby and thereby does not and will not (i) conflict with or violate any provision of the Certificate of Formation or operating agreement of BCCM, (ii) violate, conflict with or result in the breach or termination of, or otherwise give any other Person the right to terminate, or constitute a default, event of default or an event which with notice, lapse of time, or both, would constitute a default or event of default under the terms of, any BCCM Material Contract or Permit, (iii) result in the creation of any liens upon any of the BCCM Assets or (iv) constitute a violation by BCCM of any judgment or ruling of any Governmental Authority.

4.4 Capitalization of BCCM and NewCo; No Subsidiaries. (a) The authorized Capital Stock and number of issued and outstanding membership interests of Capital Stock of BCCM are as set forth on Schedule 4.4(a). BCCM Holdings owns all of the issued and

outstanding membership interests of Capital Stock of BCCM. No membership interests of Capital Stock are held in BCCM's treasury. Such Capital Stock constitutes all of the issued and outstanding membership interests of Capital Stock of BCCM, and all of the Capital Stock has been duly authorized and validly issued, is fully paid and non-assessable and is owned of record and beneficially by BCCM Holdings. The membership interests of Capital Stock of BCCM have been issued and sold in full compliance with all applicable federal and state securities laws. The membership interests of Capital Stock of BCCM are not bound by or subject to any proxy, agreement, voting trust or other restriction regarding the voting thereof.

(b) Immediately prior to Closing, BCCM Holdings will be the sole owner, beneficially and of record, of the Common Membership Units of NewCo free and clear of all Liens. As of the Closing Date, NewCo has full power to issue the Common Membership Interest as provided herein to Crompton without first obtaining the consent or approval of any Person other than BCCM Holdings. As of the date that NewCo is formed and as of the Closing Date, BCCM Holdings owns good and marketable title to its Common Membership Interests, free and clear of any and all Liens and is exclusively entitled to possess and dispose of the Common Membership Interests. At the Closing, Crompton will receive from NewCo good and marketable title to the Common Membership Interests, free and clear of any and all Liens, and Crompton and BCCM Holdings shall become the sole owners of the Common Membership Interests of NewCo.

4.5 No Rights to Purchase or Register Stock. No person, firm or corporation has any written or oral agreement, option, warrant, call, understanding, commitment, or any right or privilege capable of becoming a binding agreement for the acquisition of membership interests of any Capital Stock of BCCM. Except as provided by this Agreement, neither BCCM nor BCCM Holdings has otherwise agreed to issue or sell any membership interests of BCCM's Capital Stock. BCCM is not obligated directly, indirectly or contingently to purchase any membership interests of its Capital Stock and BCCM has not, directly or indirectly, repurchased any membership interests of its Capital Stock.

4.6 Consents. Except as set forth on Schedule 4.6, no material Consent of or by, or filing with, any other Person (including, but not limited to, any Governmental Authority) is required with respect to BCCM in connection with the execution, delivery or enforceability of this Agreement or the Related Agreements to which it is a party or the consummation of any of the transactions provided for hereby or thereby; provided, however, that nothing in this Section 4.6 shall constitute a representation, warranty or guarantee by BCCM that NewCo will be able to obtain the consent or agreement of any third party to the assignment or sublease to NewCo of any Permits required for conducting the BCCM Business, BCCM Assumed Contracts or other BCCM Assets.

4.7 Actions and Proceedings. Except as set forth on Schedule 4.7, no Proceeding affecting BCCM is pending or, to BCCM's knowledge, threatened or contemplated before any court, arbitrator, Governmental Authority or similar body to restrain or prohibit, or to obtain damages, a discovery order or other relief in connection with or affecting the BCCM Assets, the BCCM Business, the execution of this Agreement or any Related Agreements or any of the transactions contemplated hereby or thereby which would have, or could reasonably be expected to have, a Material Adverse Effect.

4.8 Brokers. Except as set forth on Schedule 4.8 hereto, neither BCCM nor any Person acting on behalf of BCCM or its Affiliates has employed any broker, finder or investment banker or incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated herein for which any other party hereto shall be liable.

4.9 Employee Matters. (a) Schedule 4.9(a) sets forth a list of all of the employees of BCCM (the "BCCM Employees"). Except as set forth on Schedule 4.9(a), BCCM has no written employment contract or collective bargaining agreement with any of the BCCM Employees, their agents, unions or other representatives. There are no material disputes, employee grievances or disciplinary actions pending or threatened by or between BCCM and any of the BCCM Employees. With respect to the BCCM Employees, BCCM has complied in all material respects with all provisions of all Laws relating to the employment of labor and has no material liability for any arrears of wages or taxes or penalties for failure to comply with any such law or for any severance or termination payments of any type. No election or Proceeding relating to the labor relations of BCCM is pending or threatened. Except as set forth on Schedule 4.9(a), there are no current or pending workers' compensation claims involving BCCM.

(b) BCCM has not violated any Law regarding the terms and conditions of employment of any BCCM Employees or other labor related matters with respect to the BCCM Employees, including, without limitation, Laws or regulations relating to discrimination, fair labor standards, Occupational Safety and Health Law, wrongful discharge or violation of personal rights of employees or prospective employees which, taken alone or together with any other such violation or violations, would reasonably be expected to have a Material Adverse Effect.

4.10 Financial Statements and Conditions. (a) Attached hereto as Schedule 4.10(a) are unaudited balance sheets and income statements of BCCM as of and for the fiscal year ended March 31, 2004, and an unaudited balance sheet and income statement for the eleven months ended February 28, 2005. Such statements and the notes thereto (collectively, the "BCCM Statements") were prepared by BCCM on a consistent basis in accordance with the systems and procedures of accounting used by BCCM during such years for the preparation of internal management reports and present the information contained therein in accordance with GAAP.

(b) Since February 28, 2005, the BCCM Business has been conducted in the ordinary course of business consistent with past practice.

4.11 Equipment. (a) Schedule 4.11(a) contains a complete and accurate list of all equipment, machinery, vehicles (including trucks, tractors and trailers), spare parts, furniture, fixtures, and similar items of personal property owned or used by BCCM with a value in excess of one thousand dollars (\$1,000) (the "BCCM Equipment"). Except as set forth on Schedule 4.11(a), BCCM has the unrestricted right to sell and transfer and, upon consummation of the transactions contemplated hereby, NewCo will receive, good and marketable title to the BCCM Equipment, free and clear of all Encumbrances.

(b) The BCCM Equipment listed on Schedule 4.11(a) is in as-is, where-is condition.

4.12 Title to Real Property. (a) Schedule 4.12(a) contains a complete and accurate list of all real property which BCCM owns (the "BCCM Real Property"). BCCM has good, marketable and indefeasible title to the BCCM Real Property free and clear of all Encumbrances, except as set forth on Schedule 4.12(a).

(b) No real property is leased by BCCM.

(c) BCCM has all certificates of occupancy and other material Permits necessary for the current use and operation by BCCM of the BCCM Real Property.

(d) To BCCM's knowledge no part of the BCCM Real Property is subject to any building or use restriction that would restrict or prevent the present use and operation of the BCCM Real Property and the BCCM Real Property is properly and duly zoned for its current use by BCCM and the continuation of such use by NewCo following the Closing, and such current use is in all respects a conforming use by BCCM.

(e) There does not exist any actual or, to the knowledge of BCCM, threatened or contemplated condemnation or eminent domain proceedings that affects the BCCM Real Property or any part thereof, and BCCM has not received any notice, oral or written, of the intention of any Governmental Authority or other Person to make or use all or any part thereof.

(f) All material improvements included within the BCCM Real Property are in as-is, where is condition. All water, gas, electrical, steam, compressed air, telecommunication, sanitary and storm sewage lines and systems and other similar systems serving each BCCM Real Property are installed and operating and are, to BCCM's knowledge, sufficient to enable such BCCM Real Property to continue to be used and operated in the manner currently being used and operated.

(g) The BCCM Real Property has rights of access to public way and is served by water, sewer, sanitary sewer and storm drain facilities adequate to service the BCCM Real Property for its current use. All public utilities necessary or convenient to the full use and enjoyment of the BCCM Real Property are located in the public right-of-way abutting the BCCM Real Property, and to BCCM's knowledge all such utilities are connected so as to serve the BCCM Real Property without passing over other property. All roads and railroads necessary for the use of the BCCM Real Property for its current purpose have been completed and (if appropriate) dedicated to public use and accepted by all Governmental Authorities.

(h) Except as set forth on Schedule 4.12(h), to BCCM's knowledge the BCCM Real Property is comprised of one or more parcels, each of which constitutes a separate tax lot and does not constitute a portion of any other tax lot not part of the BCCM Real Property.

(i) Except as set forth on Schedule 4.12(i), the BCCM Real Property is not located in a flood hazard area as defined by the Federal Insurance Administration.

4.13 Intellectual Property. (a) Schedule 4.13(a) sets forth an accurate and complete list of all patents, patent applications, licenses, trademarks, trade names, service marks and registered copyrights and all pending applications for the same (together with all proprietary know-how) owned, licensed or possessed by BCCM (the "BCCM Intellectual Property"). Except as set forth on Schedule 4.13(a), to the knowledge of BCCM, there are no adverse claims or demands, including any Proceedings of any Person pertaining to any of the BCCM Intellectual Property. BCCM Intellectual Property that is necessary for the conduct of its business as now being conducted consists solely of items and rights that are either: (i) owned solely by BCCM; (ii) in the public domain; or (iii) rightfully used and authorized for use by BCCM and its successors pursuant to a valid license. BCCM is not, nor as a result of the execution or delivery of this Agreement and all other agreements contemplated hereby, or performance of BCCM's obligations hereunder or the consummation of the transactions contemplated herein, will BCCM be, in violation of any license, sublicense or other agreement relating to any BCCM Intellectual Property to which BCCM is a party or otherwise bound and which violation would have a Material Adverse Effect. To the extent BCCM owns BCCM Intellectual Property, to the knowledge of BCCM the use of such BCCM Intellectual Property by BCCM and, to the BCCM Holdings' knowledge, the use of such BCCM Intellectual Property by BCCM's customers, does not infringe any copyright, patent, trade secret, trademark, service mark, trade name, firm name, logo, trade dress, mask work, moral right, other intellectual property right, right of privacy, or right in personal data of any person, which infringement, if prosecuted, would have a Material Adverse Effect.

(b) No claims (i) challenging the validity, effectiveness, or ownership by BCCM of any BCCM Intellectual Property, or (ii) to the effect that the use, reproduction, modification, manufacturing, distribution, licensing, sublicensing, sale, or any other exercise of rights in any product, work, technology, service, or process as used, provided or offered at any time, or as proposed for use, reproduction, modification, distribution, licensing, sublicensing, sale, or any other exercise of rights, by BCCM infringes or will infringe on any intellectual property or other proprietary or personal right of any Person have been asserted against BCCM or to BCCM's knowledge, are threatened by any Person nor to BCCM's knowledge are there any valid grounds for any bona fide claim of any such kind. There are no Proceedings or court orders, or other governmental proceedings, including interference, re-examination, reissue, opposition, nullity, or cancellation proceedings pending that relate to any BCCM Intellectual Property, other than review of pending applications for patents or trademarks, and BCCM is not aware of any information indicating that such proceedings are threatened or contemplated by any Governmental Authority or any other Person. To BCCM's knowledge, all granted or issued patents and mask works and all registered trademarks owned by BCCM and all copyright registrations held by BCCM are valid, enforceable and subsisting. To BCCM's knowledge, there is no unauthorized use, infringement, or misappropriation of any BCCM Intellectual Property by any third party, employee or former employee.

4.14 Compliance with Legal Requirements. (a) BCCM has not received written notice that it is in violation of the terms of any Permits related to the BCCM Business or the BCCM Assets which has not been remedied by BCCM.

(b) BCCM has not received written notice from any Governmental Authority having jurisdiction alleging BCCM is in violation or default with respect to any applicable Law relating to the BCCM Business or to the BCCM Assets which has not been remedied by BCCM.

4.15 BCCM Material Contracts. (a) Schedule 4.15(a) sets forth a complete list of (i) all customer contracts for which there is a receivable due BCCM, (ii) all customer contracts for orders not yet shipped, (iii) all vendor contracts related to the BCCM Business (exclusive of any BCCM Excluded Assets) which require payments in excess of \$25,000 annually, or which vendor contracts are otherwise material to the BCCM Business, and (iv) all sales representative contracts between BCCM and its sales representatives (collectively, the "BCCM Material Contracts"), complete and accurate copies of which have been given or made available to Davis-Standard.

(b) Each BCCM Material Contract listed on Schedule 4.15(a) is in full force and effect in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. There is no default or claim of default under any BCCM Material Contract listed therein and, to BCCM's knowledge, no event has occurred or is reasonably expected to occur (including without limitation the consummation of the transactions contemplated by this Agreement), that, with the passage of time or the giving of notice or both, would constitute a default by BCCM or any other party thereto under any BCCM Material Contract, or would permit modification, acceleration or termination of any BCCM Material Contract, or result in the creation of any lien on any of the BCCM Assets, other than such defaults, claims or events as would not have a Material Adverse Effect.

4.16 BCCM Pension Plans, Benefits, etc. (a) Schedule 4.16(a) lists all employee welfare benefit plans as defined in Section 3(1), and all employee pension benefit plans as defined in Section 3(2) of ERISA, that are maintained for the benefit of any of the BCCM Employees by BCCM, and all material plans, programs, arrangements, contracts, collective bargaining agreements and established working practices providing for present and future payments to any BCCM Employees or dependents or beneficiaries thereof. Such plans are referred to herein as the "BCCM Plans." Each BCCM Plan is identified in Schedule 4.16(a), if applicable, as a Qualified Plan, a defined benefit plan, if it is a defined benefit plan within the meaning of Section 414(j) of the Code, or an employee Welfare Plan.

(b) With respect to each BCCM Plan, there has been delivered or made available to Crompton: (1) a copy of the annual report, if required under ERISA, with respect to each such BCCM Plan for the last year for which a report was filed and a copy of each summary plan description, if applicable, or other plan description; (2) a copy of the BCCM Plan or, if the BCCM Plan is embodied entirely in an insurance policy to which BCCM is a party, a copy of such insurance policy and the summary plan description, together with each summary of material modifications required under ERISA with respect to such BCCM Plan subsequent to the summary plan description; and (3) if the BCCM Plan is funded through a trust or any third party funding vehicle (other than an insurance policy), a copy of the trust or other funding agreement and the latest financial statement thereof.

(c) Except for the BCCM Plans and except as set forth on Schedule 4.16(c), BCCM does not maintain or contribute to, or have any obligation to contribute to, any material plan, program, arrangement, agreement or commitment with respect to the BCCM Employees.

(d) No BCCM Plan is a "multi-employer plan" within the meaning of Section 4001(a)(3) of ERISA.

(e) Except as set forth on Schedule 4.16(e), with respect to the BCCM Plans, (i) no event has occurred with respect to any BCCM Plan that would reasonably be expected to result in any material liability under ERISA, the Code or any other Law applicable to such plan or under any agreement, instrument, or Law pursuant to or under which BCCM or its Affiliates have agreed to indemnify any Person against liability incurred under, or for a violation or failure to satisfy the requirements of, any such Law; (ii) no amendment to any of the BCCM Plans is in process; and (iii) none of the BCCM Plans is subject to any pending claim (other than routine claims for benefits), which claims would have, or could have reasonably be expected to have a Material Adverse Effect and (iv) with respect to each BCCM Plan that is subject to Title IV or Part 3 of Title I of ERISA or Section 412 of the Code, (A) no reportable event (within the meaning of Section 4043 of ERISA, other than an event that is not required to be reported before or within 30 days of such event) has occurred, (B) there was not an accumulated funding deficiency (within the meaning of Section 302 of ERISA or Section 412 of the Code), whether or not waived, as of the most recently ended plan year of such BCCM Plan, and (C) there is no "unfunded current liability" (within the meaning of Section 302(d)(8)(A) of ERISA).

(f) The BCCM Plan provides no benefits, including death and medical benefits, with respect to any BCCM Employees beyond their retirement or other termination of service, other than (1) coverage mandated by Part 6 of Title I of ERISA or Section 4980B of the Code, (2) retirement or death benefits under any employee pension benefit plan (as defined under Section 3(2) of ERISA), (3) disability benefits under any employee welfare plan that have been fully provided for by insurance or otherwise, or (4) benefits in the nature of severance pay.

4.17 Labor Disputes. There is no pending or, to the knowledge of BCCM, threatened, any labor litigation, claim or dispute affecting any BCCM Plan or BCCM Employees (other than routine claims for benefits), which would have, or could reasonably be expected to have, a Material Adverse Effect.

4.18 Absence of Certain Changes. Except as provided for or permitted by this Agreement, since February 28, 2005, the BCCM Business has been operated and the BCCM Assets have been used or held by BCCM only in the ordinary course of business and there have been no material capital expenditures, material changes in financial condition or prospects of BCCM, material damage or destruction to the BCCM Assets, revaluation of the BCCM Assets, sales or other dispositions of capital assets, increases in salaries or other compensation payable to the BCCM Employees, or amendments or terminations of material contracts or waivers of material rights which could have, or could reasonably be expected to have, a Material Adverse Effect. Moreover, since February 28, 2005, there has been no material change in the accounting methods or practices or in the depreciation or amortization policies or rates adopted or followed by BCCM.

4.19 Insurance, Bonds, Letters of Credit. Schedule 4.19 sets forth a list of all material insurance policies, bonds, letters of credit or similar documents held by BCCM. To BCCM's knowledge, such policies, bonds, letters of credit and similar documents are in full force and effect and provide the coverage required under the obligations to which they relate.

4.20 Environmental Matters. Notwithstanding any other provision of this Agreement to the contrary, the provisions of this Section 4.20 shall be the exclusive representations and warranty provisions governing Environmental Matters. Except as disclosed in Schedule 4.20:

(a) To the knowledge of BCCM, the BCCM Business is in compliance in all material respects with all applicable Environmental Laws;

(b) To the knowledge of BCCM, with respect to the BCCM Business, BCCM has obtained all material Permits required pursuant to Environmental Law and such Permits are in full force and effect. To the knowledge of BCCM, the BCCM Business is in compliance in all material respects with the terms and conditions of such Permits;

(c) to BCCM's knowledge, no material Release at, in, on, under, affecting or migrating to or from the BCCM Real Property has occurred at any time and no material amount of a Hazardous Substance has been intentionally disposed of at, in, on or under the BCCM Real Property. To BCCM's knowledge, none of the BCCM Real Property presently requires or previously required interim status or a hazardous waste permit for the treatment, storage or disposal of hazardous waste pursuant to the Resource Conservation and Recovery Act, as amended, or pursuant to any state hazardous waste statute or regulation;

(d) to the knowledge of BCCM, (i) all solid wastes and hazardous wastes, including, without limitation, Hazardous Substances, generated or present at the BCCM Assets have been at all times and are on the date hereof stored, treated, recycled or disposed of at off-site facilities; (ii) BCCM has not received any written notice indicating that such facilities have been placed or proposed to be placed on the National Priorities List, the Comprehensive Environmental Response Compensation Liability Information System, or their state equivalents; and (iii) BCCM has not been notified that it has been identified as a potentially responsible party respecting such off-site storage, treatment, recycling or disposal;

(e) to the knowledge of BCCM, there is (i) no pending or proposed changes to applicable Permits issued pursuant to Environmental Law which would have a Material Adverse Effect and (ii) no pending or proposed action by any Governmental Authority which would result in the revocation or material amendment of the terms of any such Permit, the material increase of any fees (or the assessment of any material additional or new fees) payable by BCCM in connection with the disposal of wastewater or solid wastes from BCCM's plants, or any other material change in BCCM's ability to dispose of wastewater or solid wastes from its plants, or its costs therewith.

4.21 Relationships with Affiliates. Schedule 4.21 sets forth a complete description of all material business relationships maintained between BCCM and its Affiliates (including, without limitation, business relationships between BCCM and HRCO) in connection

with the conduct of the BCCM Business, including those business relationships that are not conducted on an arms-length basis.

4.22 Taxes. (a) BCCM has filed all Tax Returns that it was required to file under applicable laws and regulations. All such Tax Returns were correct and complete in all respects and have been prepared in substantial compliance with all applicable laws and regulations. All Taxes due and owing by BCCM (whether or not shown on any Tax Return) have been paid. BCCM is not currently the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been made by an authority in a jurisdiction where BCCM does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. There are no liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of BCCM.

(b) BCCM has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(c) Schedule 4.22(c) lists all federal, state, local, and foreign Tax Returns filed with respect to BCCM for taxable periods ended on or after December 31, 2000, indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. BCCM has delivered to Davis-Standard correct and complete copies of all federal Income Tax Returns, examination reports, and statements of deficiencies assessed against, or agreed to by BCCM since December 31, 2000.

(d) BCCM has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) BCCM is not a party to any agreement, contract, arrangement or plan that has resulted or would result, separately or in the aggregate, in the payment of (i) any "excess parachute payment" within the meaning of Code §280G (or any corresponding provision of state, local or foreign Tax law) and (ii) any amount that will not be fully deductible as a result of Code §162(m) (or any corresponding provision of state, local or foreign Tax law). BCCM has not been a United States real property holding corporation within the meaning of Code §897(c)(2) during the applicable period specified in Code §897(c)(1)(A)(ii). BCCM is not a party to or bound by any Tax allocation or sharing agreement. BCCM (A) has not been a member of an affiliated group filing a consolidated federal income Tax Return or (B) does not have any liability for the Taxes of any Person under Reg. §1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(f) BCCM will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (A) change in method of accounting for a taxable period ending on or prior to the Closing Date; (B) "closing agreement" as described in Code §7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (C) intercompany transactions or any excess loss account described in Treasury Regulations under Code §1502 (or any corresponding or similar provision of state, local or foreign income Tax law); (D) installment sale or open transaction disposition made on or prior to the Closing Date; or (E) prepaid amount received on or prior to the Closing Date.

4.23 Disclosure of all Material Matters. No statement of fact made by either of BCCM or BCCM Holdings and set forth in this Agreement (including without limitation all information in the BCCM Statements and the other Schedules, Exhibits, and attachments hereto, taken as a whole) or delivered by BCCM or BCCM Holdings at the Closing is false or misleading in any material respect, and this Agreement (including, without limitation all information in the BCCM Statements and the other Schedules, Exhibits, and attachments hereto, taken as a whole) or any information delivered by BCCM or BCCM Holdings at the Closing does not omit to state a material fact necessary in order to make any such statement made or information disclosed, in the light of the circumstances under which it was made or disclosed, not misleading.

4.24 DISCLAIMER. THE WARRANTIES OF BCCM IN THIS ARTICLE IV ARE EXCLUSIVE AND ARE IN LIEU OF ANY OTHER EXPRESS OR IMPLIED WARRANTY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHER IMPLIED WARRANTY OF QUALITY.

ARTICLE V.

PRE-CLOSING COVENANTS

5.1 Conduct of Davis-Standard Business. Until the Closing Date, and to the extent permitted by Law, Davis-Standard shall, with respect to the operation of the Davis-Standard Business (unless BCCM shall otherwise consent in writing or except as otherwise specifically contemplated by this Agreement):

(a) operate only in the usual, regular and ordinary manner consistent with past practice, and use its commercially reasonable best efforts to (i) preserve its present business operations, organization and goodwill, and (ii) preserve its present relationships with Persons having business dealings with it;

(b) use all reasonable commercial efforts to keep available the services of its present employees;

(c) (i) maintain all of the Davis-Standard Assets in their current condition, normal wear and tear excepted, and (ii) maintain insurance upon all of such properties and with respect to the Davis-Standard Business in such amounts and of such kinds comparable to that in effect on the date hereof (with insurers of substantially the same or better financial condition);

(d) maintain its books, accounts and records and file any Tax Returns in the usual, regular and ordinary manner, on a basis consistent with prior years, and comply with all contractual and other obligations applicable to the operation of the Davis-Standard Business;

(e) other than in the usual, regular and ordinary manner consistent with past practice, or as may be required to comply with applicable Law (i) not increase the rate of compensation payable or to become payable to any of the Davis-Standard Employees or any of Davis-Standard's agents; (ii) not pay or provide for any bonus, stock option, stock purchase, profit-sharing, deferred compensation, pension, retirement or other similar payment or

arrangement to or in respect of any such Davis-Standard Employees or agents except to the extent Davis-Standard is, on the date hereof, contractually obligated to do so; and (iii) not enter into any new, or amend in any material respect any existing, employment, severance or consulting agreement, sales agency or other material contract with respect to the performance of personal services;

(f) (i) not incur or become subject to, or agree to incur or become subject to, any obligation or liability (contingent or otherwise), except normal trade or business obligations incurred in the ordinary course of business and consistent with past practice; (ii) except in the ordinary course of business, not discharge or satisfy any Encumbrance or pay any obligation or liability (fixed or contingent); (iii) not mortgage, pledge or subject to any Encumbrance any of the Davis-Standard Assets; (iv) not sell, assign, transfer, convey, lease or otherwise use or dispose of, or agree to sell, assign, transfer, convey, lease or otherwise dispose of, any of the Davis-Standard Assets, other than in the ordinary course of business; (v) not cancel or compromise any debt or claim or waive or release any right relating to the Davis-Standard Business or the Davis-Standard Assets, except for adjustments, settlements or waivers or releases made in the ordinary course of business consistent with past practice; (vi) not make or enter into any commitment to make any material capital expenditure; (vii) not enter into any collective bargaining agreement or, through negotiation (the status of which will be regularly communicated to BCCM) or otherwise, make any commitment or incur any liability to any labor organization relating to any of the Davis-Standard Employees; (viii) not introduce any material change with respect to the operations of the Davis-Standard Business, including, without limitation, any change in the method of accounting; (ix) not enter into any transaction or make or enter into any contract or commitment which, by reason of its size or otherwise, is not in the ordinary course of business consistent with past practice; and (x) not make any payment or prepayment of Taxes in excess of the amount required by law;

(g) maintain supplies in respect of the Davis-Standard Business of similar kind, amount and quality as that maintained on the date hereof;

(h) maintain or cause to be maintained the Davis-Standard Intellectual Property in full force and effect through the Closing Date and, with respect to any of the Davis-Standard Intellectual Property subject to expiration on or prior to the Closing Date, renew or make, within an applicable renewal period ending on or prior to the Closing Date, application to renew such Davis-Standard Intellectual Property;

(i) comply in all material respects with all applicable Laws to which it is subject, including, without limitation, all applicable Laws of any Governmental Authority relating to the collection of consumer debt;

(j) not settle any pending litigation or obtain any releases of threatened actions or proceedings that is a Davis-Standard Assumed Liability or a Davis-Standard Asset without the consent of BCCM;

(k) not institute any increase in, merge or terminate any profit-sharing, bonus, incentive, deferred compensation, insurance, pension, retirement, medical, hospital, disability, welfare or other employee benefit plan;

(l) not change any accounting methods for Tax purposes, and not make any change in the accounting practices or policies applied in the preparation of the Davis-Standard Statements except as required by GAAP;

(m) promptly notify BCCM of any (i) extraordinary loss suffered by Davis-Standard related to the Davis-Standard Business, (ii) casualty losses or damages suffered by Davis-Standard with respect to the Davis-Standard Assets having an individual replacement cost of more than \$10,000 or an aggregate replacement cost of more than \$25,000 or which could result in a Material Adverse Effect, whether or not such losses or damages are covered by insurance, and (iii) any Proceeding commenced or threatened against Davis-Standard relating to the transactions contemplated by this Agreement;

(n) not enter into any merger or consolidation with any Person, and not engage in any new business or invest in, or make a loan, advance or capital contribution to, any Person;

(o) not modify any Davis-Standard Material Contract with any Person, other than in the ordinary course of business consistent with past practice;

(p) not make any renovation of any Davis-Standard Real Property involving a substantial obligation on the part of Davis-Standard;

(q) not take any action or omit to take any action which would cause (i) any of the representations and warranties of Davis-Standard contained in Article III to be untrue and/or incorrect in any material respect if such representations and warranties were made immediately after such act or failure to act, or (ii) Davis-Standard to be unable to comply with any of its covenants or agreements set forth herein or in the Related Agreements to which it is a party;

(r) use its reasonable efforts, consistent with past practices and applicable legal requirements, to maintain the services of, and good relations with, the dealers, distributors, customers and suppliers with whom sales or purchases, as the case may be, are effected in connection with any part of the Davis-Standard Business; and

(s) not take any action or actions prohibited by any of the foregoing paragraphs (a) through (q).

5.2 Conduct of BCCM Business. Until the Closing Date, and to the extent permitted by Law, BCCM shall, with respect to the operation of the BCCM Business (unless Crompton shall otherwise consent in writing or except as otherwise specifically contemplated by this Agreement):

(a) operate only in the usual, regular and ordinary manner consistent with past practice, and use its commercially reasonable best efforts to (i) preserve its present business operations, organization and goodwill, and (ii) preserve its present relationships with Persons having business dealings with it;

(b) use all reasonable commercial efforts to keep available the services of its present employees;

(c) (i) maintain all of the BCCM Assets in their current condition, normal wear and tear excepted, and (ii) maintain insurance upon all of the BCCM Real Property in such amounts and of such kinds comparable to that in effect on the date hereof on such properties and with respect to such operation (with insurers of substantially the same or better financial condition);

(d) maintain its books, accounts and records and file any Tax Returns in the usual, regular and ordinary manner, on a basis consistent with prior years, and comply with all contractual and other obligations applicable to the operation of the BCCM Business;

(e) other than in the usual, regular and ordinary manner consistent with past practice (i) not increase the rate of compensation payable or to become payable to any of the BCCM Employees or any of BCCM's agents; (ii) not pay or provide for any bonus, stock option, stock purchase, profit-sharing, deferred compensation, pension, retirement or other similar payment or arrangement to or in respect of any such BCCM Employees or agents except to the extent Crompton is, on the date hereof, contractually obligated to do so; and (iii) not enter into any new, or amend in any material respect any existing, employment, severance or consulting agreement, sales agency or other material contract with respect to the performance of personal services;

(f) (i) not incur or become subject to, or agree to incur or become subject to, any obligation or liability (contingent or otherwise), except normal trade or business obligations incurred in the ordinary course of business and consistent with past practice; (ii) except in the ordinary course of business, not discharge or satisfy any Encumbrance or pay any obligation or liability (fixed or contingent); (iii) not mortgage, pledge or subject to any Encumbrance any of the BCCM Assets; (iv) not sell, assign, transfer, convey, lease or otherwise use or dispose of, or agree to sell, assign, transfer, convey, lease or otherwise dispose of, any of the BCCM Assets, other than in the ordinary course of business; (v) not cancel or compromise any debt or claim or waive or release any right relating to the BCCM Business or the BCCM Assets, except for adjustments, settlements or waivers or releases made in the ordinary course of business consistent with past practice; (vi) not make or enter into any commitment to make any material capital expenditure; (vii) not enter into any collective bargaining agreement or, through negotiation (the status of which will be regularly communicated to Crompton) or otherwise, make any commitment or incur any liability to any labor organization relating to any of the BCCM Employees; (viii) not introduce any material change with respect to the operations of the BCCM Business, including, without limitation, any change in the method of accounting; (ix) not enter into any transaction or make or enter into any contract or commitment which, by reason of its size or otherwise, is not in the ordinary course of business consistent with past practice; and (x) not make any payment or prepayment of Taxes in excess of the amount required by law;

(g) maintain supplies in respect of the BCCM Business of similar kind, amount and quality as that maintained on the date hereof;

(h) maintain or cause to be maintained the BCCM Intellectual Property in full force and effect through the Closing Date and, without limitation, with respect to any of the BCCM Intellectual Property subject to expiration on or prior to the Closing Date, renew or make,

within an applicable renewal period ending on or prior to the Closing Date, application to renew such BCCM Intellectual Property;

(i) comply in all material respects with all applicable Laws to which it is subject, including, without limitation, all applicable Laws of any Governmental Authority relating to the collection of consumer debt;

(j) not settle any pending litigation or obtain any releases of threatened actions or proceedings without the consent of Crompton;

(k) not institute any increase in, merge or terminate any profit-sharing, bonus, incentive, deferred compensation, insurance, pension, retirement, medical, hospital, disability, welfare or other employee benefit plan;

(l) not change any accounting methods for Tax purposes, and not make any change in the accounting practices or policies applied in the preparation of the BCCM Statements except as required by GAAP;

(m) promptly notify Crompton of any (i) extraordinary loss suffered by BCCM related to the BCCM Business, (ii) casualty losses or damages suffered by BCCM with respect to the BCCM Assets having an individual replacement cost of more than \$10,000 or an aggregate replacement cost of more than \$25,000 or which could result in a Material Adverse Effect, whether or not such losses or damages are covered by insurance, and (iii) any Proceeding commenced or threatened against BCCM relating to the transactions contemplated by this Agreement;

(n) not enter into any merger or consolidation with any Person, and not engage in any new business or invest in, or make a loan, advance or capital contribution to, any Person;

(o) not modify any BCCM Material Contract with any Person, other than in the ordinary course of business consistent with past practice;

(p) except as set forth on Schedule 5.2(p), not make any renovation of any BCCM Real Property involving a substantial obligation on the part of BCCM or NewCo;

(q) not take any action or omit to take any action which would cause (i) any of the representations and warranties of BCCM contained in Article IV to be untrue and/or incorrect in any material respect if such representations and warranties were made immediately after such act or failure to act, or (ii) BCCM to be unable to comply with any of its covenants or agreements set forth herein or in the Related Agreements;

(r) use its reasonable efforts, consistent with past practices and applicable legal requirements, to maintain the services of, and good relations with, the dealers, distributors, customers and suppliers with whom sales or purchases, as the case may be, are effected in connection with any part of the BCCM Business; and

(s) not take any action or actions prohibited by any of the foregoing paragraphs (a) through (q).

5.3 Transfer, Sales and Use Taxes, etc. NewCo will pay or cause to be paid all state, county and local real property transfer taxes, transfer stamps, mortgage recording fees, sales and use taxes and privilege or other excise taxes, if any, which are based on gross sales price (excluding income taxes, business and occupation taxes or other excise taxes imposed on the business of NewCo), imposed on the sales, conveyances, assignments, transfers and deliveries to be made hereunder.

5.4 Consents; Reasonable Efforts. Each of the parties hereto covenants and agrees that it shall cooperate with the other parties in obtaining all Consents necessary to effect the Davis-Standard Contribution and the BCCM Contribution to NewCo and such other Consents and Permits as BCCM or Crompton may reasonably request. Each of the parties hereto shall use its best efforts to cause all conditions to Closing set forth in Article VI to be satisfied on the Closing Date, but only to the extent that such conditions relate to its obligations, covenants, representations or warranties hereunder.

5.5 Filings; Other Action. Each of the parties hereto will in good faith make any required submissions under any applicable Laws with respect to the Contributions to NewCo and shall (a) use its best efforts to obtain, and will cooperate with other parties in obtaining, all authorizations, consents, orders and approvals of governmental entities and third parties, and will take all reasonable actions to avoid the entry of any judgment prohibiting the consummation or effectiveness of the transactions contemplated hereby and (b) use its best efforts to take, or cause to be taken, promptly all other action and do, or cause to be done, all other things necessary, proper or appropriate under applicable laws to consummate and make effective the transactions contemplated by this Agreement as soon as practicable.

5.6 Publicity. Each party agrees to obtain the written consent of the other party hereto prior to issuing any press release or otherwise making any public announcement concerning this Agreement or the transactions contemplated hereby, and shall not issue any press release or make any such public announcement prior to receiving such written consent, except if advised in writing by counsel that it is legally obligated to do so under law or under the rules and regulations of any applicable securities exchange. In any event, each party agrees to discuss and consult with the others prior to issuing any press release or other public announcement concerning this Agreement or the transactions contemplated hereby.

5.7 Insurance. From the date hereof until the Closing Date, each of Crompton, Davis-Standard and BCCM shall maintain, in the aggregate, all presently existing levels of insurance coverage (some portions of which are self-insured) with respect to the Davis-Standard Business or the BCCM Business, as the case may be.

5.8 Special Transition Provisions. Between the date hereof and the Closing Date, the parties shall consult with each other in good faith in an effort to facilitate the Contributions to NewCo. As part of such consultations, without limitation, the insurance and risk management departments of each of the parties shall work together in an effort to provide NewCo with the most appropriate insurance coverage (in terms of both coverage and cost) from and after the Effective Time. NewCo shall recognize and bargain with the Union as the sole bargaining representative for the Davis-Standard employees as a "successor" to Davis-Standard under the

National Labor Relations Act; provided, however, that NewCo is not assuming the Collective Bargaining Agreement set forth on Schedule 3.9.

5.9 Foreign Subsidiaries and Conversion. Prior to Closing, Crompton will cause Davis-Standard to convert to a Delaware limited liability company known as Savid, LLC. Prior to the Closing, Crompton shall cause its Affiliates to distribute or otherwise transfer to Converted LLC all of the Affiliates': (i) issued and outstanding Capital Stock in Davis-Standard France S.A.R.L. (France), a French corporation (the "French Subsidiary"); and (ii) allotted and issued Capital Stock in Davis-Standard Limited, a company incorporated in England and Wales with a registered number 03489005 (the "U.K. Subsidiary"), which U.K. Subsidiary holds all of the allotted and issued Capital Stock of D-S Brookes Limited, a company incorporated in England and Wales with registered number 04066333, so that on the Closing Date, Savid LLC holds all of the issued and outstanding Capital Stock of the German Subsidiaries and the French Subsidiary and all of the allotted and issued Capital Stock of the U.K. Subsidiary.

5.10 Davis-Standard Intellectual Property. Prior to the Closing, Crompton shall distribute or otherwise transfer, and shall cause its Affiliates to distribute or otherwise transfer, to Converted LLC all of Crompton and the Affiliates' right, title and interest in and to the Davis-Standard Intellectual Property owned by Crompton or its Affiliates.

5.11 Davis-Standard Real Property. Prior to the Closing, Crompton shall distribute or otherwise transfer to Converted LLC all of its right, title and interest in and to the Davis-Standard Real Property owned by Crompton.

5.12 Trafalgar APA. Prior to Closing, Crompton shall cause the rights of the "Buyer" (as such term is defined in the Trafalgar APA) under the Trafalgar APA to be assigned to Converted LLC and, to effect the foregoing, shall duly authorize, execute and deliver an instrument of assignment substantially in the form attached hereto as Exhibit F, a copy of which shall be delivered to BCCM Holdings.

5.13 Transfer Laws. NewCo and Davis-Standard will execute all documents attached in Schedule 5.13. NewCo will be the certifying and responsible party for compliance with the Connecticut Transfer Act C.G.S. 22a-134 et seq. and the New Jersey Industrial Site Recovery Act N.J.S.A 13:1K et seq. and the respective associated rules and regulations (together "Transfer Laws"). NewCo will pay or cause to be paid all fees, costs and expenses, including without limitation, all Environmental Liabilities and Costs associated with complying with the Transfer Laws.

ARTICLE VI.

CONDITIONS PRECEDENT TO CLOSING OBLIGATIONS

6.1 Conditions Precedent to Obligations of BCCM and NewCo. The obligations of BCCM Holdings and NewCo to consummate the transactions contemplated hereby on the Closing Date are, unless waived by BCCM Holdings, subject to the satisfaction of the following conditions:

(a) All representations and warranties of Crompton contained in this Agreement and/or in the Related Agreements to which it is a party shall be true and correct in all material respects on and as of the Closing Date or the date specified therein as though made on and as of such date; Crompton shall have performed in all material respects all agreements and covenants required by this Agreement and/or the Related Agreements to which it is a party to be performed by it prior to or at the Closing; and, at the Closing, BCCM Holdings and NewCo shall have each received, from Crompton, certificates to the foregoing effect dated as of the Closing Date and signed by its duly authorized officer.

(b) All representations and warranties of Davis-Standard contained in this Agreement and/or in the Related Agreements to which it is a party shall be true and correct in all material respects on and as of the Closing Date as to Davis-Standard and Converted LLC; Davis-Standard and Converted LLC shall have performed in all material respects all agreements and covenants required by this Agreement and/or the Related Agreements to which it is a party to be performed by it prior to or at the Closing; and, at the Closing, BCCM Holdings and NewCo shall have each received from Converted LLC a certificate to the foregoing effect dated as of the Closing Date and signed by its duly authorized officer or manager.

(c) BCCM Holdings and NewCo shall each have received the opinion of counsel to Crompton, dated as of the Closing Date, in form and substance reasonably satisfactory to BCCM Holdings.

(d) All Consents identified on Schedule 6.1(d) shall have been legally and validly obtained by Davis-Standard and shall be in full force and effect.

(e) No Proceeding shall be pending or threatened, seeking to restrain or prohibit or declare illegal, or seeking substantial damages in connection with, any material part of the transactions provided for hereby or by the Related Agreements to which it is a party.

(f) Each of Davis-Standard and Crompton shall have performed all acts, made all payments and executed and delivered all documents which Section 8.2 provides are to be performed, made or executed and delivered by it at the Closing.

(g) All material Consents, whether from third parties or any Governmental Authority having jurisdiction over Davis-Standard, the U.K. Subsidiary, the German Subsidiaries and the French Subsidiary or Crompton that are required in connection with the execution of this Agreement by each of Davis-Standard and Crompton and the performance of their respective obligations under this Agreement, shall have been obtained, and any applicable waiting periods or extensions thereof under any applicable antitrust Law shall have expired or a notice of early termination of such waiting periods shall have been received.

(h) NewCo shall have closed on financing arrangements to provide working capital to NewCo.

(i) BCCM Holdings and NewCo shall have received the Capital Stock Assignment of Crompton.

(j) Each of Crompton and Converted LLC shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions required by this Agreement to be performed or complied with by it on or prior to the Closing Date.

6.2 Conditions Precedent to Obligations of Davis-Standard, Crompton and NewCo. The obligations of Davis-Standard, Crompton and NewCo to consummate the transactions contemplated hereby on the Closing Date are, unless otherwise waived by Davis-Standard, subject to the following conditions:

(a) All representations and warranties of BCCM and BCCM Holdings contained in this Agreement and in the Related Agreements shall be true and correct in all material respects on and as of the Closing Date or the date specified therein as though made on and as of such date; BCCM and BCCM Holdings shall have performed in all material respects all agreements and covenants required by this Agreement and the Related Agreements to be performed by it prior to or at the Closing; and, at the Closing, Crompton and NewCo shall each have received, from BCCM and BCCM Holdings, certificates to the foregoing effect dated as of the Closing Date and signed by its duly authorized officer.

(b) Crompton shall have received the opinion of counsel to BCCM Holdings, NewCo and BCCM dated as of the Closing Date, in form and substance reasonably satisfactory to Crompton.

(c) All Consents identified on Schedule 6.2(c) shall have been legally and validly obtained by BCCM and shall be in full force and effect.

(d) No Proceeding shall be pending or threatened, seeking to restrain or prohibit or declare illegal, or seeking substantial damages in connection with, any material part of the transactions provided for hereby or by the Related Agreements.

(e) BCCM and BCCM Holdings shall have performed all acts, made all payments and executed and delivered all documents which Section 8.2 provides are to be performed, made or executed and delivered by it at the Closing.

(f) All material Consents, whether from third parties or any Governmental Authority having jurisdiction over BCCM, that are required in connection with the execution of this Agreement by BCCM and the performance of its obligations under this Agreement shall have been obtained, and any applicable waiting periods or extensions thereof any applicable antitrust Law shall have expired or a notice of early termination of such waiting periods shall have been received.

(g) NewCo shall have closed on financing arrangements to provide working capital to NewCo.

(h) Crompton and NewCo shall have received the Capital Stock Assignment of BCCM Holdings.

(i) Each of BCCM Holdings, BCCM and NewCo shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions

required by this Agreement to be performed or complied with by it on or prior to the Closing Date.

6.3 Davis-Standard Employees. Prior to the Closing, Crompton shall arrange to be transferred, and shall cause its Affiliates to arrange to be transferred, to Converted LLC or its subsidiaries those employees of Crompton or its Affiliates who currently perform services for Davis-Standard or its subsidiaries but are employees of Crompton or its Affiliates, each of whom are set forth on Schedule 6.3 hereto.

ARTICLE VII.

REMEDIES AND INDEMNIFICATION

7.1 Survival. (a) All representations, warranties, and conditions made or given in this Agreement, the Schedules to Article III or the Schedules to Article IV, the supplements to such Schedules, the certificates delivered pursuant to Section 8.2 and any other certificate or document delivered pursuant to this Agreement (except the Related Agreements) operate only as conditions of Closing and for no other purpose, and such representations, warranties and conditions shall not survive the Closing and the consummation of the transactions contemplated herein. For the avoidance of doubt, the parties hereto agree that after the Closing, there shall be no right of indemnification, no contractual right, or any other right or remedy against each other, or any one of them or otherwise with respect to the representations, warranties and conditions in this Agreement, and except in the case of fraud, BCCM, BCCM Holdings, Crompton Corporation and Crompton, for themselves, their respective successors, assigns, shareholders, officers and directors, do hereby waive and release each other from all Claims with respect to the representations, warranties and conditions in this Agreement, in any Schedules to Article III or Article IV, any supplements to such Schedules, the certificates delivered pursuant to Section 8.2 and any other certificate or document delivered pursuant to this Agreement (except the Related Agreements). Notwithstanding the foregoing, all covenants contained in this Agreement (including those contained in this Article VII) shall survive the Closing. Notwithstanding anything to the contrary contained in this Agreement or the Operating Agreement, (i) Crompton shall have the right to enforce the rights of NewCo with regard to covenants made herein by BCCM Holdings and BCCM; and (ii) BCCM Holdings shall have the right to enforce the rights of NewCo with regard to covenants made herein by Crompton, Davis-Standard and Converted LLC.

7.2 Crompton Indemnification. (a) Subject to and as limited by the provisions of this Section 7.2, NewCo agrees to defend, indemnify and hold harmless Crompton Corporation and its Affiliates (including without limitation Crompton), and their respective officers, directors and employees (individually and collectively, the "Crompton Indemnitees") from and against any and all Losses resulting from any claim, action, or complaint against any Crompton Indemnitee to the extent that such claim relates to or arises from or out of (i) the Davis-Standard Assumed Liabilities or (ii) Davis-Standard, the German Subsidiaries, the U.K. Subsidiary or the French Subsidiary except to the extent related to the Excluded Liabilities. As used herein the term "Davis-Standard Assumed Liabilities" shall mean all liabilities, other than the Excluded Liabilities, of Davis-Standard and the business of Davis-Standard, including, but not limited to, (A) any Claim relating to a product sold or service provided prior the Effective Time, (B) any

Claim relating to any act or omission occurring prior to the Effective Time, (C) any Claim arising directly out of the goods sold, services provided, or the operation of the business of Davis-Standard during the period of time the business of Davis-Standard was operated as a division of Crompton Corporation, (D) any Claim arising in connection with any assets used in the business of Davis-Standard, including, without limitation, those real property and intellectual property assets held by Crompton Corporation and used in connection with the Davis-Standard Business, (E) any liabilities assumed by Davis-Standard and/or the business of Davis-Standard as a result of an acquisition, including, without limitation, those liabilities assumed by Crompton Corporation, Davis-Standard and/or the business of Davis-Standard in the Trafalgar APA Agreement (excluding any liabilities relating to a breach of Section 9.3 hereunder), and/or (F) any Claim arising out of the Davis-Standard Business including where Crompton or Crompton Corporation is named as a party in a purchase order, warranty or other documentation.

(b) The amounts for which NewCo shall be liable under this Section 7.2 also shall include all reasonable attorneys fees and all other costs and expenses incurred by Crompton Corporation or its Affiliates in enforcing its rights to indemnification hereunder, after notice is given pursuant to Section 7.2.

(c) In the event a claim arises that is covered by the indemnity provisions of this Section 7.2, written notice shall be promptly given to NewCo by Crompton or its Affiliate seeking indemnification. A delay or failure by Crompton or its Affiliate seeking indemnification to provide such prompt written notice to NewCo of such claim shall not render the indemnification provisions invalid against Crompton or its Affiliate, except to the extent that NewCo is prejudiced by such delay or failure in its attempt to mitigate or resolve such claim.

(d) Provided that NewCo agrees in writing to Crompton or its Affiliate seeking indemnification to defend and indemnify such party from such claim under this Section 7.2, NewCo shall have the right to contest and defend by all appropriate legal proceedings such claim and to control all settlements and to select lead counsel, reasonably acceptable to Crompton, to defend any and all such claims at the sole cost and expense of NewCo; provided, however, that NewCo may not effect any settlement that could result in any cost, expense or liability to Crompton or its Affiliate seeking indemnification or subject Crompton or its Affiliate seeking indemnification to other than monetary damages unless Crompton or such Affiliate consents in writing prior to such settlement and NewCo agrees to indemnify Crompton or such Affiliate therefor. Crompton or its Affiliate seeking indemnification may select counsel to participate in any defense, at its sole cost and expense.

(e) Both Crompton or its Affiliate and NewCo shall cooperate fully with one another in connection with the defense, compromise, or settlement of any such claim or action, including, without limitation, by making available to the other all pertinent information and witnesses within its control.

(f) The indemnification by NewCo set forth in this Section 7.2 shall survive the Closing.

7.3 BCCM Holdings Indemnification. (a) Subject to and as limited by the provisions of this Section 7.3, NewCo agrees to defend, indemnify and hold harmless BCCM

Holdings and its Affiliates, and their respective shareholders, officers, directors and employees (individually and collectively, the "BCCM Indemnitees") from and against any and all losses, damages, costs, or expenses resulting from any claim, action, or complaint against any BCCM Indemnitee to the extent that such claim relates to or arises from or out of the BCCM Assumed Liabilities. As used herein, the term "BCCM Assumed Liabilities" shall mean all liabilities, except the Excluded Liabilities, relating to BCCM and the BCCM Business including, but not limited to, (A) any Claim arising after the Effective Time relating to a product sold or services provided prior to the Effective Time and/or (B) any Claim arising after the Effective Time relating to any act or omission occurring prior to the Effective Time, including without limitation any Claim arising directly out of the goods sold, services provided, or the operation of the business of BCCM during the period of time the business of BCCM was operated as a division of The Black Clawson Company.

(b) The amounts for which NewCo shall be liable under this Section 7.3 also shall include all reasonable attorneys fees and all other costs and expenses incurred by BCCM Holdings or its Affiliates in enforcing its rights to indemnification hereunder, after notice is given pursuant to Section 7.3.

(c) In the event a claim arises that is covered by the indemnity provisions of this Section 7.3, written notice shall be promptly given to NewCo by BCCM Holdings or its Affiliate seeking indemnification. A delay or failure by BCCM Holdings or its Affiliate seeking indemnification to provide such prompt written notice to NewCo of such claim shall not render the indemnification provisions invalid against BCCM Holdings or its Affiliate, except to the extent that NewCo is prejudiced by such delay or failure in its attempt to mitigate or resolve such claim.

(d) Provided that NewCo agrees in writing to BCCM Holdings or its Affiliate seeking indemnification to defend and indemnify such party from such claim under this Section 7.3, NewCo shall have the right to contest and defend by all appropriate legal proceedings such claim and to control all settlements and to select lead counsel, reasonably acceptable to BCCM Holdings, to defend any and all such claims at the sole cost and expense of NewCo; provided, however, that NewCo may not effect any settlement that could result in any cost, expense or liability to BCCM Holdings or its Affiliate seeking indemnification or subject BCCM Holdings or its Affiliate seeking indemnification to other than monetary damages unless BCCM Holdings or such Affiliate consents in writing prior to such settlement and NewCo agrees to indemnify BCCM Holdings or such Affiliate therefor. BCCM Holdings or its Affiliate seeking indemnification may select counsel to participate in any defense, at its sole cost and expense.

(e) Both BCCM Holdings or its Affiliate and NewCo shall cooperate fully with one another in connection with the defense, compromise, or settlement of any such claim or action, including, without limitation, by making available to the other all pertinent information and witnesses within its control.

(f) The indemnification by NewCo set forth in this Section 7.3 shall survive the Closing.

7.4 NewCo Indemnification. (a) Crompton shall be liable for, and shall indemnify, defend and hold harmless Davis-Standard and NewCo against, any liability for Taxes imposed on Davis-Standard, Converted LLC or NewCo with respect to periods of time during which Davis-Standard was included in a consolidated or combined tax return with Crompton and which relate solely to Taxes assessed against Affiliates of Davis-Standard (other than the German Subsidiaries, the French Subsidiary or the U.K. Subsidiary) who were included in such consolidated or combined tax return.

(b) The amounts for which Crompton shall be liable under this Section 7.4 also shall include all reasonable attorneys fees and all other costs and expenses incurred by Davis-Standard or NewCo in enforcing its rights to indemnification hereunder, after notice is given pursuant to Section 7.4.

(c) In the event a claim arises that is covered by the indemnity provisions of this Section 7.4, written notice shall be promptly given to Crompton by Davis-Standard or NewCo. A delay or failure by Davis-Standard or NewCo to provide such prompt written notice to Crompton of such claim shall not render the indemnification provisions invalid against Davis-Standard or NewCo, except to the extent that Crompton is prejudiced by such delay or failure in its attempt to mitigate or resolve such claim.

(d) Provided that Crompton agrees in writing to Davis-Standard or NewCo, as applicable, to defend and indemnify NewCo from such claim, Crompton shall have the right to contest and defend by all appropriate legal proceedings such claim and to control all settlements and to select lead counsel, reasonably acceptable to Davis-Standard or NewCo, as applicable, to defend any and all such claims at the sole cost and expense of Crompton; provided, however, that Crompton may not effect any settlement that could result in any cost, expense or liability to Davis-Standard or NewCo or subject Davis-Standard or NewCo to other than monetary damages unless Davis-Standard or NewCo, as applicable, consents in writing prior to such settlement and Crompton agrees to indemnify Davis-Standard or NewCo therefor. Davis-Standard or NewCo, as applicable, may select counsel to participate in any defense, at its sole cost and expense.

(e) Each of Davis-Standard, NewCo and Crompton shall cooperate fully with one another in connection with the defense, compromise, or settlement of any such claim or action, including, without limitation, by making available to the other all pertinent information and witnesses within its control.

(f) The indemnification by Crompton set forth in this Section 7.4 shall survive the Closing.

7.5 Certain Liabilities. Notwithstanding any other provision contained herein, Crompton, BCCM Holdings and NewCo hereby agree and covenant that:

(a) Upon an LLC Exit Event (as such term is defined in the Operating Agreement), NewCo shall calculate the product of (i) the aggregate amount of any and all Losses, if any, suffered by NewCo or any of its Subsidiaries relating to or arising from any matter listed on Schedule 7.5(a) and (ii) .375 (the "Crompton Exit Amount").

(b) Upon an LLC Exit Event, NewCo shall calculate the product of (i) the aggregate amount of any and all losses, damages, costs, and expenses, if any, suffered by NewCo or any of its Subsidiaries relating to or arising from any matter listed on Schedule 7.5(b) and (ii) .625 (the "BCCM Exit Amount").

(c) If the Crompton Exit Amount is greater than the BCCM Exit Amount, then Crompton shall pay BCCM Holding an amount equal to the lesser of (i) the Crompton Exit Amount less the BCCM Exit Amount and (ii) the Net Proceeds (as such term is defined in the Operating Agreement) received by Crompton in connection with the LLC Exit Event. If the BCCM Exit Amount is greater than the Crompton Exit Amount, then BCCM Holding shall pay Crompton an amount equal to the lesser of (i) the BCCM Exit Amount less the Crompton Exit Amount and (ii) the Net Proceeds received by BCCM Holdings in connection with the LLC Exit Event.

7.6 Transfer of NewCo Obligations. The indemnification obligations of NewCo in this Section 7 shall be binding on any successors or assigns of all or substantially all of the assets of NewCo. In the event of any LLC Exit Event or other transfer of all or substantially all of the assets of NewCo, it shall be a condition of such event or transfer that any acquirer of all or substantially all of the assets of NewCo shall agree in writing to assume the indemnification obligations of NewCo in this Section 7.

ARTICLE VIII.

CLOSING

8.1 Closing Date. (a) Provided that all conditions precedent have occurred or been waived and no party has exercised any right of termination pursuant to Section 8.3, the closing of the transactions contemplated by this Agreement (the "Closing") shall be held at 10:00 A.M. on April 30, 2005, or such other date as agreed in writing by Crompton and BCCM (the "Closing Date") at the offices of Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, NY 10178 U.S.A. However, the transfers contemplated by this Agreement shall be deemed effective as of the Effective Time.

(b) A pre-closing shall be held on the day prior to the Closing Date, and to the extent possible all documents to be delivered by any party at the Closing shall be examined at the pre-closing.

8.2 Closing Documents. At the Closing, subject to the terms and conditions herein, the parties shall deliver the following documents:

(a) Each of Crompton, Converted LLC, BCCM Holdings and the Management Members shall execute and deliver the Operating Agreement and any other Related Agreement to which it is a party.

(b) Crompton, Davis-Standard and Converted LLC shall execute, as applicable, and deliver:

(i) a Capital Stock Assignment effecting the Crompton Contribution and all such assignments and other instruments or documents (including certificates of title) as shall be necessary in the judgment of NewCo to evidence the Crompton Contribution in accordance with the terms of this Agreement;

(ii) the opinion of counsel referred to in Section 6.1(c);

(iii) the officer's certificate referred to in Section 6.1(a); and

(iv) such other documents as BCCM Holdings or its counsel may reasonably request.

(c) BCCM Holdings and BCCM shall execute, where applicable, and deliver:

(i) a Capital Stock Assignment effecting the BCCM Contribution and all such assignments and other instruments or documents (including certificates of title) as shall be necessary in the judgment of NewCo to evidence the BCCM Contribution in accordance with the terms of this Agreement;

(ii) the opinion of counsel referred to in Section 6.2(b);

(iii) the officers' certificate referred to in Section 6.2(a); and

(iv) such documents as Crompton or its counsel may reasonably request.

(d) (i) Crompton and NewCo shall execute and deliver the Crompton Management Services Agreement and the Crompton Transition Services Agreement, and (ii) HRCO and NewCo shall execute and deliver the HRCO Services Agreement and the HRCO Investment Banking Agreement.

8.3 Closing Payments. (a) At the Closing, subject to the terms and conditions herein, the parties shall make, or cause to be made, the following payments:

(i) NewCo shall cause a letter of credit to be issued (denominated in Euros or United States dollar equivalent) to Commerzbank, pursuant to the Keybank Facility, equal to the Restricted Cash Amount;

(ii) If the Davis-Standard Foreign Intercompany Balance is (A) a negative number (representing a receivable from Crompton), Crompton shall pay such amount in cash to NewCo, or (B) a positive number (representing a payable to Crompton), NewCo shall cause the German Subsidiaries to pay such amount in cash to Crompton; and

(iii) NewCo shall pay Crompton, pursuant to a draw-down of funds on the Keybank Facility, an amount in United States dollars equal to the Restricted Cash Amount, as converted into United States dollars.

(b) As soon as practicable following the Closing Date, NewCo shall cause to be conducted an audit of the NewCo consolidating opening balance sheet which shall include a review of the payments made pursuant to this Section 8.3 and the calculation of the BCCM Special Distribution Amount (as such calculation is made pursuant to the terms of the Operating Agreement). Upon completion of such audit, such calculations and amounts shall be adjusted, as necessary. NewCo shall pay the expenses of the audit.

8.4 Termination. This Agreement may be terminated at any time prior to the Closing (such time of termination being hereinafter referred to as the "Termination Date"):

(a) by any of Crompton, Davis-Standard, BCCM Holdings or BCCM if: (i) the Closing shall not have occurred by May 31, 2005; provided, however, that the right to terminate this Agreement under this Section 8.3(a) shall not be available to any party whose failure to fulfill any obligations under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date; (ii) any of the other parties (other than an Affiliate of the terminating party) makes a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against such other party seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up or reorganization, arrangement, adjustment, protection, relief or composition of its debts under any law relating to bankruptcy, insolvency or reorganization; or (iii) any Governmental Authority shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable; or

(b) by (i) either Crompton or Davis-Standard in the event of a material breach hereunder by either BCCM Holdings or BCCM or (ii) BCCM Holdings in the event of a material breach hereunder by either Crompton or Davis-Standard, which breach is not cured within ten (10) days of notice of the breach delivered to the breaching party; or

(c) by the mutual written consent of BCCM Holdings and Crompton.

8.5 Costs upon Termination. If this Agreement is terminated pursuant to Section 8.3(a) or Section 8.3(b), neither party shall be liable to the other for Losses incurred by the other party in connection with the preparation and execution of this Agreement; provided, however, that, if such termination shall result from the failure of any party to perform a covenant of this Agreement or from a breach by any party to this Agreement, then such party shall be fully liable for any and all Losses sustained or incurred by the other party or parties as a consequence of such failure or breach.

ARTICLE IX.

POST-CLOSING COVENANTS

9.1 Further Assurances. Each of the parties hereto shall cooperate with the other and take such additional action as may be reasonably necessary to implement this Agreement and the Related Agreements and to effectuate the transactions contemplated hereby and thereby.

9.2 Tax and Audit Cooperation. Each of the parties agrees that from and after the Closing Date, it will cooperate with the other in defending or prosecuting any action, suit, proceeding, investigation or audit of the other, including, without limitation, (a) the preparation and audit of Tax Returns for all periods, to the extent they relate to the Davis-Standard Assets, the BCCM Assets, the Davis-Standard Business, the BCCM Business or the transactions contemplated by this Agreement, and (b) any audit of a party with respect to any sales, use or other transfer Taxes imposed on or relating to the transactions contemplated by this Agreement. In furtherance hereof, the parties agree to respond to all reasonable inquiries related to such matters and to provide, to the extent possible, substantiation of transactions and to make reasonably available and furnish appropriate documents and personnel in connection therewith.

9.3 Trafalgar APA. Crompton agrees that it and each of its Affiliates (excluding NewCo): (A) will not, without NewCo's consent, initiate any communication with Kvaerner with regard to the Known Conditions (as such term is defined in the Trafalgar APA), (B) shall promptly notify NewCo of any communication initiated by Kvaerner with regard to the Known Conditions, and (C) shall not engage in or cause any communication prohibited pursuant to Section 8.4(i), Section 8.4(j), Section 8.4(l) and Section 8.6 of the Trafalgar APA.

ARTICLE X.

MISCELLANEOUS

10.1 Notices. All notices, Consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile with confirmation of transmission; or (c) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the following addresses or facsimile numbers and marked to the attention of the person (by name or title) designated below (or to such other address, facsimile number or person as a party may designate by notice to the other parties):

If to Crompton or Davis-Standard:

Crompton Corporation
199 Benson Road
Middlebury, CT 06749
Attn: Lynn Schefsky
Facsimile: 203-573-4430

with a copy to:

Robinson & Cole LLP
280 Trumbull Street
Hartford, CT 06103-3597
Attn: William T. Sellay
Facsimile: (860) 275-8299

If to BCCM Holdings or BCCM:

BCCM Holdings, Inc.
c/o Hamilton Robinson LLC
281 Tresser Boulevard
Suite 1000
Stamford, CT 06901
Attn: Scott I. Oakford
Facsimile: 203-602-2206

with a copy to:

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, NY 10178
Attn: Philip T. von Mehren
Facsimile: 212-697-1559

If to NewCo:

c/o Hamilton Robinson LLC
281 Tresser Boulevard
Suite 1000
Stamford, CT 06901
Attn: Scott I. Oakford, Chairman of the Board
Facsimile: 203-602-2206

with a copy to:

Crompton Corporation
199 Benson Road
Middlebury, CT 06749
Attn: Lynn Schefsky
Facsimile: 203-573-4430

Robinson & Cole LLP
280 Trumbull Street
Hartford, CT 06103-3597
Attn: William T. Sellay
Facsimile: 860-275-8299

BCCM Holdings, Inc.
c/o Hamilton Robinson LLC
281 Tresser Boulevard
Suite 1000
Stamford, CT 06901
Attn: Mr. Scott I. Oakford
Facsimile: 203-602-2206

and

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, NY 10178
Attn: Philip T. von Mehren
Facsimile: 212-697-1559

10.2 Assignment. (a) No party without the prior written consent of the other parties, may assign any of its rights or benefits or delegate any of its duties or obligations hereunder, and any attempted assignment or delegation which is not permitted under this Section 10.2 shall be null, void and without effect. For purposes of the prohibition contained in this Section 10.2(a), the transfer of Common Membership Units, which complies with the terms of the Operating Agreement, shall not be deemed an assignment or delegation of any right, benefit, duty or obligation hereunder.

(b) The rights, benefits, duties and obligations of each party hereto shall inure to the benefit of, and be binding upon, any successors or permitted assigns.

10.3 Counterparts; Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument. This Agreement may be signed and sent by facsimile transfer which, when received, shall be deemed an original signature.

10.4 Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) sets forth the entire understanding and agreement among the parties as to the matters covered herein and supersedes and replaces any prior understanding, agreement or statement of intent, in each case, written or oral.

10.5 Headings. The headings contained in this Agreement are for convenience of reference only and do not modify or affect in any way the meaning or interpretation of this Agreement.

10.6 Governing Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of New York, without giving effect to the conflict of law provisions thereof.

10.7 Jurisdiction; Service of Process. Any Proceeding arising out of or relating to this Agreement or any Related Agreements may be brought in the courts of the State of New York, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such Proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the Proceeding shall be heard and determined only in any such court and agrees not to bring any Proceeding arising out of or relating to this Agreement or any Related Agreements in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any Proceeding referred to in the first sentence of this section may be served on any party anywhere in the world.

10.8 No Third Party Rights. This Agreement is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any Person other than the parties hereto, except as expressly provided to the contrary elsewhere in this Agreement.

10.9 Waivers and Amendments. No waiver shall be deemed to have been made by any party of any of its rights under this Agreement unless the same is in a writing and is signed on its behalf by its authorized officer. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. This Agreement shall not be amended or modified except by an instrument in writing signed by the party against whom enforcement is sought.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Contribution Agreement (this "Agreement"), made by and among Crompton Holding Corporation, a corporation organized under the Laws of Delaware ("Crompton"), Davis-Standard Corporation, a corporation organized under the Laws of Delaware ("Davis-Standard"), BCCM, LLC, a limited liability company organized under the Laws of Delaware ("BCCM"), BCCM Holdings, Inc., a corporation organized under the Laws of Delaware ("BCCM Holdings"), and Davis-Standard LLC, a limited liability company organized under the Laws of Delaware ("NewCo") has been executed and delivered as of the date first written above.

CROMPTON HOLDING CORPORATION

By: 

2009 - Name: Lynn A. Scheffsky
Title: President

BCCM HOLDINGS, INC.

By:

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD CORPORATION

By:

Name: Robert W. Ackley
Title: President

BCCM, LLC

By: BCCM Holdings, Inc.
Its: Manager

By:

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD, LLC

By: BCCM, LLC
Its: Manager

By: BCCM Holdings, Inc.
Its: Manager

By:

Name: Mark A. Panozzo
Title: President

TRADEMARK

REEL: 004619 FRAME: 0060

IN WITNESS WHEREOF, this Contribution Agreement (this "Agreement"), made by and among Crompton Holding Corporation, a corporation organized under the Laws of Delaware ("Crompton"), Davis-Standard Corporation, a corporation organized under the Laws of Delaware ("Davis-Standard"), BCCM, LLC, a limited liability company organized under the Laws of Delaware ("BCCM"), BCCM Holdings, Inc., a corporation organized under the Laws of Delaware ("BCCM Holdings"), and Davis-Standard LLC, a limited liability company organized under the Laws of Delaware ("NewCo") has been executed and delivered as of the date first written above.

CROMPTON HOLDING CORPORATION

BCCM HOLDINGS, INC.

By:

By:

Name: Lynn A. Schefsky
Title: President

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD CORPORATION

BCCM, LLC

By:

Name: Robert W. Ackley
Title: President

By: BCCM Holdings, Inc.
Its: Manager

By:

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD, LLC

By: BCCM, LLC
Its: Manager

By: BCCM Holdings, Inc.
Its: Manager

By:

Name: Mark A. Panozzo
Title: President

TRADEMARK

REEL: 004619 FRAME: 0061

IN WITNESS WHEREOF, this Contribution Agreement (this "Agreement"), made by and among Crompton Holding Corporation, a corporation organized under the Laws of Delaware ("Crompton"), Davis-Standard Corporation, a corporation organized under the Laws of Delaware ("Davis-Standard"), BCCM, LLC, a limited liability company organized under the Laws of Delaware ("BCCM"), BCCM Holdings, Inc., a corporation organized under the Laws of Delaware ("BCCM Holdings"), and Davis-Standard LLC, a limited liability company organized under the Laws of Delaware ("NewCo") has been executed and delivered as of the date first written above.

CROMPTON HOLDING CORPORATION

By:

Name: Lynn A. Schefsky
Title: President

BCCM HOLDINGS, INC.

By: 

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD CORPORATION

By:

Name: Robert W. Ackley
Title: President

BCCM, LLC

By: BCCM Holdings, Inc.
Its: Manager

By: 

Name: Mark A. Panozzo
Title: President

DAVIS-STANDARD, LLC

By: BCCM, LLC
Its: Manager

By: BCCM Holdings, Inc.
Its: Manager

By: 

Name: Mark A. Panozzo
Title: President

TRADEMARK

REEL: 004619 FRAME: 0062

TRADEMARK
REEL: 004619 FRAME: 0063

Exhibit A

Form of Capital Stock Assignment

Pursuant to that certain Contribution Agreement (the "Contribution Agreement") dated as of March 31, 2005 among Crompton Holding Corporation, Davis-Standard Corporation, BCCM, LLC, BCCM Holdings, Inc. and Davis-Standard LLC ("NewCo"), and for the consideration described therein and subject to the terms thereof, [_____] hereby assigns, transfers and conveys to NewCo all of [_____]’s right, title and interest in and to the Capital Stock (as such term is defined in the Contribution Agreement) of [_____], and NewCo hereby accepts such Capital Stock.

IN WITNESS WHEREOF, [_____] and NewCo have executed and delivered this Capital Stock Assignment Agreement effective as of [12:01 a.m.] on _____, 2005.

[_____]

By: _____

DAVIS-STANDARD LLC

By: _____

Exhibit B

Form of Crompton Management Services Agreement

EXHIBIT B
TO THE CONTRIBUTION AGREEMENT

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (the "Agreement") made as of April __, 2005, is by and between Davis-Standard, LLC, a Delaware limited liability company (the "Company"), and Crompton Holding Corporation, a Delaware corporation (the "Consultant").

WHEREAS, the Company desires to avail itself of the experience, sources of information, and assistance available to the Consultant relating to certain business consulting activities, and desires to have the Consultant perform for it various consulting and related services; and

WHEREAS, the Consultant is willing and able to perform certain business consulting services under the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Consultant's Duties. The Consultant will act as a financial and business consultant to the Company. In furtherance of the foregoing, during the term of this Agreement the Consultant will:

(a) provide the Company with advice in connection with the negotiation and consummation of agreements, contracts, documents and instruments necessary to provide the Company with financing from banks or other financial institutions or other entities on terms and conditions satisfactory to the Company; and

(b) provide the Company with financial, managerial and operational advice in connection with its day-to-day operations, including, without limitation, advice with respect to the investment of funds and advice with respect to the development and implementation of strategies for improving the operating, marketing and financial performance of the Company.

The Consultant agrees to devote its best efforts to the performance of services for the Company hereunder. The foregoing notwithstanding, the Company acknowledges and agrees that the (i) Consultant may engage in other business activities, provided that such other business activities do not materially detract from the performance of services to the Company hereunder and (ii) the Company will not provide any service that would result in the Company being treated as a consolidated entity in the Crompton Corporation group.

2. The Company's Duties. In order to enable the Consultant to perform the above services, the Company will furnish financial, managerial and operational information ("Information") to the Consultant regarding the Company as frequently as shall be reasonably necessary. The Consultant agrees to hold such Information in strict confidence and will not

disclose such Information other than to its directors, officers, employees, representatives and professional advisors (collectively, the "Representatives") who need to know such Information solely for the purpose of carrying out the duties of the Consultant hereunder. The Consultant's Representatives shall be informed and directed by it to treat the Information confidentially in accordance with the terms of the Agreement.

3. No Agency. The Consultant shall for all purposes be an independent contractor and not an agent or employee of the Company, and shall not have the authority to act for, represent, bind or obligate the Company.

4. Payment of Fees. The Company hereby agrees to pay to the Consultant (or such persons as are designated by the Consultant) fees for management services actually performed in an amount not to exceed \$250,000 per annum, in respect of the ongoing management services to be provided hereunder to the Company by the Consultant as more fully described in Section 1 of this Agreement. The fees for management services to be provided hereunder shall accrue, in the discretion of the Consultant, on an hourly or project fee basis, and shall not exceed the prevailing rates charged for comparable services or the \$250,000 per annum mentioned above. All fees payable to the Consultant shall be payable in cash by wire transfer of immediately available funds.

5. Reimbursement of Expenses. The Company agrees to pay the Consultant on demand all reasonably incurred expenses (upon receipt of reasonably detailed invoices) incurred by the Consultant and other out-of-pocket expenses reasonably incurred in connection with management services performed on behalf of the Company pursuant to this Agreement, including but not limited to (i) the fees and disbursements of attorneys, accountants, any other consultants or advisors retained by the Consultant arising in connection therewith, and (ii) any out-of-pocket expenses incurred by the Consultant in connection with the provision of services hereunder or the attendance at any meeting of the board of directors (or any committee thereof) of either Company or any of its affiliates. All such reasonable expenses incurred prior to the date hereof by the Consultant shall be paid upon the execution of this Agreement.

6. Limitation of Liability. The Consultant shall not be liable for any error of judgment, for any misstatement of information or for any loss suffered by the Company in connection with the subject matter of this Agreement so long as the Consultant acted in good faith and in a manner that is reasonably believed to be correct or appropriate in the circumstances.

7. Indemnification.

(a) The Company hereby indemnifies the Consultant, and each shareholder, officer, employee and agent of the Consultant (the "Indemnitees") from and against, any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions (collectively, "Liabilities"), whether judicial, administrative, investigative or otherwise, of any nature whatsoever, known or unknown, liquidated or unliquidated, that may accrue to the Company or in which any of the Indemnitees may become involved, as a party or otherwise, arising out of the conduct of their activities in performing or assisting in the performance of the services to be provided by Consultant hereunder; provided that (A) such Indemnitees acted in

good faith and in a manner that it reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that its conduct was unlawful, and (B) such liability shall not have arisen from a material violation of this Agreement or the gross negligence, fraud or willful violation of law by such Indemnitees, or actions of such Indemnitees outside the scope of or unauthorized by this Agreement.

(b) To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Company, such Indemnitee and any other Indemnitees acting in connection with the Corporation's business or affairs shall not be liable to the Corporation for its good faith reliance on the provisions of this Agreement.

8. Other Agreements and Activities Allowed.

(a) The Consultant and the shareholders, employees or officers of the Consultant, may engage simultaneously with their activities on behalf of the Company in other activities, and may render services similar to those described in this Agreement for other individuals, companies, trusts, persons or entities. The Consultant shall not by reason of engaging in such other activities or services for others be deemed to be acting in conflict with the interests of the Company.

(b) Shareholders, employees or officers of the Consultant may also be members, directors, officers or employees of the Company, or shareholders, directors, officers, partners or employees of, or involved with, the companies, partnerships, joint ventures or investment opportunities in companies or other business entities which may be the subject of analysis and reports rendered hereunder.

9. Term of Agreement.

(a) Subject to subsection (b) below, this Agreement shall continue in full force and effect until terminated by mutual consent of the parties hereto.

(b) The foregoing notwithstanding, this Agreement shall terminate (i) at the election of the Consultant for any reason upon 30 days' written notice to the Company, or (ii) upon a change in control of the Company (as defined below). Upon such termination, the Consultant shall be released of all of its rights and obligations hereunder. For purposes of the foregoing sentence, "change of control" shall mean the occurrence of any of the following events: (x) the acquisition by any person or persons (other than an existing member of the Company or affiliate thereof or an affiliate of the Company) of direct or indirect beneficial ownership of securities of the Company representing 50% or more of the common membership units of the Company then outstanding, or (y) the approval by the members of the Company of any merger, consolidation, reorganization, liquidation, dissolution, or sale of all or substantially all of the Company's assets in connection with a transaction in which the Company will not be the surviving entity.

The accrued and unpaid obligations of the Company owed through the date of termination of this Agreement under Sections 4 and 5 shall survive any termination or expiration of this Agreement to the maximum extent permitted under applicable law.

10. Amendment and Assignment. This Agreement may be amended or modified only in writing signed by both parties. This Agreement may be assigned by either party hereto but only with prior written consent of the other party hereto, provided that Consultant may assign this Agreement without the Company's consent to an Affiliate of Consultant.

11. Governing Law. This Agreement shall be construed in accordance with the laws of the State of New York.

12. Headings. The paragraph headings used in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the construction of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this
MANAGEMENT SERVICES AGREEMENT as of the date first set forth above.

DAVIS-STANDARD, LLC

By: _____
Name:
Title:

CROMPTON HOLDING CORPORATION

By: _____
Name:
Title:

TRADEMARK
REEL: 004619 FRAME: 0072

Exhibit C

Form of HRCo Services Agreement

CORPORATE SERVICES AGREEMENT

THIS AGREEMENT (the "Agreement") made as of _____ between Davis-Standard, LLC, a Delaware limited liability company (the "Company"), and Hamilton Robinson LLC, a Delaware limited liability company (the "Consultant").

WHEREAS, the Company desires to avail itself of the experience, sources of information, and assistance available to the Consultant relating to certain business consulting activities, and desires to have the Consultant perform for it various consulting and related services; and

WHEREAS, the Consultant is willing and able to perform certain business consulting services under the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Consultant's Duties. The Consultant will act as financial and business consultant to the Company. In furtherance of the foregoing, during the term of this Agreement the Consultant will:

(a) provide the Company with advice in connection with the negotiation and consummation of agreements, contracts, documents and instruments necessary to provide the Company with financing from banks or other financial institutions or other entities on terms and conditions satisfactory to the Company; and

(b) provide the Company with financial, managerial and operational advice in connection with its day-to-day operations, including, without limitation, advice with respect to the investment of funds and advice with respect to the development and implementation of strategies for improving the operating, marketing and financial performance of the Company.

The Consultant agrees to devote its best efforts to the performance of services for the Company hereunder. The foregoing notwithstanding, the Company acknowledges and agrees that the Consultant may engage in other business activities, provided that such other business activities do not materially detract from the performance of services to the Company hereunder.

2. The Company's Duties. In order to enable the Consultant to perform the above services, the Company will furnish financial, managerial and operational information ("Information") to the Consultant regarding the Company as frequently as shall be reasonably necessary. The Consultant agrees to hold such Information in strict confidence and will not disclose such Information other than to its directors, officers, employees, representatives and professional advisors (collectively, the "Representatives") who need to know such Information

solely for the purpose of carrying out the duties of the Consultant hereunder. The Consultant's Representatives shall be informed and directed by it to treat the Information confidentially in accordance with the terms of the Agreement.

3. No Agency. The Consultant shall for all purposes be an independent contractor and not an agent or employee of the Company, and shall not have the authority to act for, represent, bind or obligate the Company.

4. Payment of Fees. The Company hereby agrees to pay to the Consultant (or such persons as are designated by the Consultant) fees for management services actually performed in an amount not to exceed \$250,000 per annum, in respect of the ongoing management services to be provided hereunder to the Company by the Consultant as more fully described in Section 1 of this Agreement. The fees for management services to be provided hereunder shall accrue, in the discretion of the Consultant, on an hourly or project fee basis, and shall not exceed the prevailing rates charged for comparable services or the \$250,000 per annum mentioned above. All fees payable to the Consultant shall be payable in cash by wire transfer of immediately available funds.

5. Reimbursement of Expenses. The Company agrees to pay the Consultant on demand all reasonably incurred expenses (upon receipt of reasonably detailed invoices) incurred by the Consultant and other out-of-pocket expenses reasonably incurred in connection with management services performed on behalf of the Company pursuant to this Agreement, including but not limited to (i) the fees and disbursements of attorneys, accountants, any other consultants or advisors retained by the Consultant arising in connection therewith, and (ii) any out-of-pocket expenses incurred by the Consultant in connection with the provision of services hereunder or the attendance at any meeting of the board of directors (or any committee thereof) of either Company or any of its affiliates. All such reasonable expenses incurred prior to the date hereof by the Consultant shall be paid upon the execution of this Agreement.

6. Limitation of Liability. The Consultant shall not be liable for any error of judgment, for any misstatement of information or for any loss suffered by the Company in connection with the subject matter of this Agreement so long as the Consultant acted in good faith and in a manner that is reasonably believed to be correct or appropriate manner in the circumstances.

7. Indemnification.

(a) The Company hereby indemnifies the Consultant, and each shareholder, officer, employee and agent of the Consultant (the "Indemnitees") from and against any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions (collectively, "Liabilities"), whether judicial, administrative, investigative or otherwise, of any nature whatsoever, known or unknown, liquidated or unliquidated, that may accrue to the Company or in which any of the Indemnitees may become involved, as a party or otherwise, arising out of the conduct of their activities in performing or assisting in the performance of the services to be provided by Consultant hereunder; provided that (A) such Indemnitees acted in good faith and in a manner that it reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe

that its conduct was unlawful, and (B) such liability shall not have arisen from a material violation of this Agreement or the gross negligence, fraud or willful violation of law by such Indemnitees, or actions of such Indemnitees outside the scope of or unauthorized by this Agreement.

(b) To the extent that, at law or in equity, an Indemnatee has duties (including fiduciary duties) and liabilities relating thereto to the Company, such Indemnatee and any other Indemnitees acting in connection with the Corporation's business or affairs shall not be liable to the Corporation for its good faith reliance on the provisions of this Agreement.

8. Other Agreements and Activities Allowed.

(a) The Consultant and the shareholders, employees or officers of the Consultant, may engage simultaneously with their activities on behalf of the Company in other activities, and may render services similar to those described in this Agreement for other individuals, companies, trusts, persons or entities. The Consultant shall not by reason of engaging in such other activities or services for others be deemed to be acting in conflict with the interests of the Company.

(b) Shareholders, employees or officers of the Consultant may also be members, directors, officers or employees of the Company, or shareholders, directors, officers, partners or employees of, or involved with, the companies, partnerships, joint ventures or investment opportunities in companies or other business entities which may be the subject of analysis and reports rendered hereunder.

9. Term of Agreement.

(a) Subject to subsection (b) below, this Agreement shall continue in full force and effect until terminated by mutual consent of the parties hereto.

(b) The foregoing notwithstanding, this Agreement shall terminate (i) at the election of the Consultant for any reason upon 30 days' written notice to the Company, or (ii) upon a change in control of the Company (as defined below). Upon such termination, the Consultant shall be released of all of its rights and obligations hereunder. For purposes of the foregoing sentence, "change of control" shall mean the occurrence of any of the following events: (x) the acquisition by any person or persons (other than an existing member of the Company or affiliate thereof or an affiliate of the Company) of direct or indirect beneficial ownership of securities of the Company representing 50% or more of the common membership units of the Company then outstanding, or (y) the approval by the members of the Company of any merger, consolidation, reorganization, liquidation, dissolution, or sale of all or substantially all of the Company's assets in connection with a transaction in which the Company will not be the surviving entity.

The accrued and unpaid obligations of the Company owed through the date of termination of this Agreement under Sections 4 and 5 shall survive any termination or expiration of this Agreement to the maximum extent permitted under applicable law.

10. Amendment and Assignment. This Agreement may be amended or modified only in writing signed by both parties. This Agreement may be assigned by either party hereto but only with prior written consent of the other party hereto.

11. Governing Law. This Agreement shall be construed in accordance with the laws of the State of New York.

12. Headings. The paragraph headings used in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the construction of this Agreement.

[Signature page follows]

**EXHIBIT C
TO THE CONTRIBUTION AGREEMENT**

IN WITNESS WHEREOF, the parties hereto have executed this Management Consultancy Agreement as of the date first set forth above.

DAVIS-STANDARD, LLC

By: _____
Name:
Title:

HAMILTON ROBINSON LLC

By: _____
Name:
Title:

Exhibit D

HRCo Investment Banking Agreement

**EXHIBIT D
TO THE CONTRIBUTION AGREEMENT**

INVESTMENT BANKING SERVICES AGREEMENT

THIS AGREEMENT (the "Agreement") made as of _____, 2005 between Davis-Standard, LLC, a Delaware limited liability company (the "Company"), and Hamilton Robinson LLC, a Delaware limited liability company (the "Consultant").

WHEREAS, the Company has availed itself of the experience, sources of information, and assistance available to the Consultant relating to certain investment banking and business consulting activities, and desires to have the Consultant perform for it various investment banking and consulting and related services; and

WHEREAS, the Consultant is willing and able to perform certain business consulting services under the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Consultant's Duties. The Consultant has served as a financial and business consultant to the Company since _____, 2005. In furtherance of the foregoing, the Consultant provided the Company with advice in connection with the negotiation and consummation of agreements, contracts, documents and instruments necessary to provide the Company with financing from financial institutions or other entities on terms and conditions satisfactory to the Company in conjunction with the contribution of units to the Company pursuant to that certain Contribution Agreement dated as of _____, 2005, by and among the Company, BCCM, LLC, a Delaware limited liability company, BCCM Holdings, Inc., a Delaware Corporation, Davis-Standard Corporation, a Delaware corporation, and Crompton Holding Corporation, a Delaware corporation (the "Contribution"). The Consultant agrees to devote its best efforts to the performance of services for the Company hereunder. The foregoing notwithstanding, the Company acknowledges and agrees that the Consultant may engage in other business activities, provided that such other business activities do not materially detract from the performance of services to the Company hereunder.

2. The Company's Duties. In order to enable the Consultant to perform the above services, the Company will furnish financial, managerial and operational information ("Information") to the Consultant regarding the Company as frequently as shall be reasonably necessary. The Consultant agrees to hold such Information in strict confidence and will not disclose such Information other than to its directors, officers, employees, representatives and professional advisors (collectively, the "Representatives") who need to know such Information solely for the purpose of carrying out the duties of the Consultant hereunder. The Consultant's Representatives shall be informed and directed by it to treat the Information confidentially in accordance with the terms of the Agreement.

3. No Agency. The Consultant shall for all purposes be an independent contractor and not an agent or employee of the Company, and shall not have the authority to act for, represent, bind or obligate the Company.

4. Payment of Fees. The Company hereby agrees to pay, upon the closing of the Contribution, \$300,000 to the Consultant for the investment banking services rendered in connection with the Contribution.

5. Limitation of Liability. The Consultant shall not be liable for any error of judgment, for any misstatement of information or for any loss suffered by the Company in connection with the subject matter of this Agreement so long as the Consultant acted in good faith in the best interests of the Company, and in a manner that is reasonably believed to be correct or appropriate manner in the circumstances.

6. Indemnification.

(a) The Company hereby indemnifies the Consultant, and each shareholder, officer, employee and agent of the Consultant (the "Indemnitees") from and against, any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions (collectively, "Liabilities"), whether judicial, administrative, investigative or otherwise, of any nature whatsoever, known or unknown, liquidated or unliquidated, that may accrue to the Company or in which any of the Indemnitees may become involved, as a party or otherwise, arising out of the conduct of their activities in performing or assisting in the performance of the services to be provided by Consultant hereunder; provided that (A) such Indemnitees acted in good faith and in a manner that it reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding, had no reasonable cause to believe that its conduct was unlawful, and (B) such liability shall not have arisen from a material violation of this Agreement or the gross negligence, fraud or willful violation of law by such Indemnitees, or actions of such Indemnitees outside the scope of or unauthorized by this Agreement.

(b) To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Company, such Indemnitee and any other Indemnitees acting in connection with the Corporation's business or affairs shall not be liable to the Corporation for its good faith reliance on the provisions of this Agreement.

7. Other Agreements and Activities Allowed.

(a) The Consultant and the shareholders, employees or officers of the Consultant, may engage simultaneously with their activities on behalf of the Company in other activities, and may render services similar to those described in this Agreement for other individuals, companies, trusts, persons or entities. The Consultant shall not by reason of engaging in such other activities or services for others be deemed to be acting in conflict with the interests of the Company.

(b) Shareholders, employees or officers of the Consultant may also be shareholders, directors, officers or employees of the Company, or shareholders, directors, officers, partners or employees of, or involved with, the companies, partnerships, joint ventures

or investment opportunities in companies or other business entities which may be the subject of analysis and reports rendered hereunder.

8. Term of Agreement.

(a) The term of this agreement shall be one year. However, should the Contribution close within one year of this date, or should financing be provided by parties introduced to the Contribution by the Consultant within one year of this date, then the Consultant's entire fee shall become immediately due and payable.

The accrued and unpaid obligations of the Company owed through the date of termination of this Agreement under Section 4 shall survive any termination or expiration of this Agreement to the maximum extent permitted under applicable law.

9. Amendment and Assignment. This Agreement may be amended or modified only in writing signed by both parties. This Agreement may be assigned by either party hereto but only with the prior written consent of the other party hereto.

10. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of New York, without regard to principles of conflicts of laws and rules of such state except Sections 5-1401 and 5-1402 of the New York General Obligations Law.

11. Headings. The paragraph headings used in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any purpose or in any way affect the construction of this Agreement.

[Signature page follows]

EXHIBIT D
TO THE CONTRIBUTION AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Investment Banking Services Agreement as of the date first set forth above.

DAVIS-STANDARD, LLC

By: _____

Name:

Title:

HAMILTON ROBINSON LLC

By: _____

Name:

Title:

TRADEMARK
REEL: 004619 FRAME: 0085

Exhibit E

Form of Operating Agreement

**EXHIBIT E TO THE
CONTRIBUTION AGREEMENT**

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

of

DAVIS-STANDARD, LLC

by and among

Crompton Holding Corporation

and

BCCM Holdings, Inc.

and

the Management Members (as defined)

Dated as of April __, 2005

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THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF DAVIS-STANDARD, LLC (as amended and restated, the "Agreement") is made and entered into as of the ____ day of April, 2005 (the "Effective Date") by and among Crompton Holding Corporation, a Delaware corporation ("Crompton Holding"), BCCM Holdings, Inc., a Delaware corporation ("BCCM"), and together with Crompton Holding, the "Contributing Members") and the management members listed on Schedule I hereto (the "Management Members"). Each of the Contributing Members and the Management Members shall, for purposes of this Agreement, be referred to as a "Member", and collectively shall be referred to as the "Members".

WHEREAS, an authorized person formed Davis-Standard, LLC (the "Company") as a limited liability company under the laws of the State of Delaware on March 31, 2005;

WHEREAS, BCCM executed the Limited Liability Company Agreement effective as of March 31, 2005, as the sole member of the Company, (the "LLC Agreement");

WHEREAS, the Contributing Members have acquired their respective Interests as consideration for their respective contribution of stock or units pursuant to that certain Contribution Agreement dated as of March 31, 2005, by and among the Company, the Contributing Members and certain Affiliates of the Contributing Members ("Contribution Agreement");

WHEREAS, the Management Members have acquired their respective Interests by the payment of \$1,000,000, in the aggregate, to the Company pursuant to that certain Subscription Agreement, by and among the Company and the Management Members, dated as of April __, 2005 ("Subscription Agreement");

WHEREAS, the Contributing Members, together with the Management Members, agreed to execute and deliver an Amended and Restated Limited Liability Company Agreement to reflect the contributions which occurred pursuant to the Contribution Agreement and Subscription Agreement;

WHEREAS, the Company was formed for the purpose of engaging in the design, sale, installation, service and support of extrusion systems and converting machinery; and

WHEREAS, the Members desire to set forth their mutual understanding regarding, inter alia, the funding and operation of the Company.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Members hereby agree as follows:

ARTICLE 1.

Definitions

1.1 Defined Terms. The capitalized terms used in this Agreement shall have the meanings set forth below in this Article I.

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Person in question. As used in this definition of Affiliate, the term *"control"* (including *"controlled by"* or *"under common control with"*) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of Capital Stock, as trustee, by contract, or otherwise.

"Affiliate Agreements" shall mean the Crompton Management Services Agreement, the HRCo Corporate Services Agreement, the HRCo Investment Banking Agreement and the Crompton Transition Services Agreement (as such agreements are defined in the Contribution Agreement).

"Aggregate Carry Amount" shall have the meaning set forth in Article 7.8(a).

"Agreement" shall have the meaning set forth in the preamble.

"Annual Budget" shall mean, with respect to any Fiscal Year, the annual budget and business plan of the Company and all Affiliates controlled by the Company for such Fiscal Year, in a form acceptable to the Board, and covering, in reasonable detail, the Company and all Affiliates' controlled by the Company respective strategic plans, including, without limitation, a plan for the Business, projected items of expense and revenue in categories and cash flow developed and approved pursuant to this Agreement.

"Annual Distribution" shall have the meaning set forth in Article 7.4(b).

"Bankruptcy" of a Member shall mean, and a Member shall be deemed bankrupt upon, (i) the making by such Member of an assignment for the benefit of creditors, (ii) the filing by such Member of a voluntary petition in bankruptcy, (iii) the adjudging of such Member as a bankrupt or insolvent or the entering against such Member of an order for relief in any bankruptcy or insolvency proceeding that has not been dismissed within one hundred and twenty (120) days after such order or judgment was entered, (iv) the filing by such Member of a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (v) the filing by such Member of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of the nature set forth in clause (iv) above, (vi) the seeking, consenting or acquiescing by such Member in the appointment of a trustee, receiver or liquidator of such Member or of all or any substantial part of its properties, (vii) the expiration of one hundred twenty (120) days after the commencement of any proceeding against such Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, if the proceeding has not been dismissed

within such time, or (viii) the expiration of ninety (90) days after the appointment without such Member's consent or acquiescence of a trustee, receiver or liquidator of such Member or of all or any substantial part of its properties, if such appointment is not vacated or stayed within such ninety (90) day period, or if within ninety (90) days after the expiration of any such stay, the appointment is not vacated.

"BCCM" shall have the meaning set forth in the preamble.

"BCCM Special Distribution Amount" shall mean:

(a) if the Total Withdrawal Amount is greater than twelve million dollars (\$12,000,000), then four million dollars (\$4,000,000) plus the product of (i) the Total Withdrawal Amount minus twelve million dollars (\$12,000,000) and (ii) .60;

(b) if the Total Withdrawal Amount is a less than twelve million dollars (\$12,000,000), then four million dollars (\$4,000,000) minus the product of (i) twelve million dollars (\$12,000,000) minus the Total Withdrawal Amount and (ii) .33; or

(c) if the Total Withdrawal Amount is equal to twelve million dollars (\$12,000,000), then four million dollars (\$4,000,000).

"Beneficial Owner" (including with correlative meanings, the term "Beneficially Owned") means with respect to any Capital Stock, any Person, who would be deemed a Beneficial Owner under Rule 13d-3 (or any successor rule of similar import) under the Exchange Act.

"Board" shall have the meaning set forth in Article 5.1(a).

"Business" shall have the meaning set forth in Article 2.3.

"Capital Account" shall mean, for each Member, the account established for such Member in accordance with Article 3.1(b) hereof.

"Capital Contribution" shall mean, with respect to any Member, the total value of cash and the fair market value of property contributed to the Company by a Member or allocated to a Member, as set forth in Exhibit A hereto, as such exhibit may be amended from time to time in accordance with the terms of this Agreement.

"Capital Stock" means any and all (i) shares, interest, units, participations or other equity equivalents of or equity interests (however designated) in capital stock of any Person including shares of preferred or preference stock, (ii) partnership interest (whether general or limited) in any Person which is a partnership, (iii) membership interests or limited liability company interests in any limited liability company, and (iv) other equity or ownership interests in any Person.

"Carry" shall have the meaning set forth in Article 7.8(a).

"Carry Holder" shall mean (i) any Management Member and (ii) any management employee or director of the Company that the Board has granted all or a part of the Unallocated Carry Percentage pursuant to Article 5.7(s).

"Carry Percentage" shall mean, with respect to each Carry Holder, that percentage set forth opposite his name on Schedule II hereto.

"Carry Threshold" shall mean sixty-seven million dollars (\$67,000,000) less the BCCM Special Distribution Amount, (ii) the Total Withdrawal Amount and (iii) any distributions made by the Company to its Members.

"CEO" shall have the meaning set forth in Article 4.1.

"Certificate of Formation" shall mean the certificate of formation of the Company referred to in Article 2.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended (including any corresponding provisions of any succeeding law).

"Common Membership Units" means the capital units that represent the Members' ownership interests in the Company.

"Company" shall have the meaning set forth in the preamble.

"Compete" or "Competes" means to materially compete in all or a portion of the Business or to take substantial steps to materially compete in all or a portion of the Business.

"Competitor" means a Person that Competes in the Business, either directly or indirectly.

"Contributing Members" shall have the meaning set forth in the preamble.

"Contribution Agreement" shall have the meaning set forth in the recitals.

"Covered Company Person" shall have the meaning given to such term in Article 4.6(a).

"Crompton" means Crompton Corporation, a corporation organized under the laws of Delaware and any Affiliate thereof that it shall designate from time to time at its discretion.

"Crompton Holding" shall have the meaning set forth in the preamble.

"Davis-Standard Cash Balance" shall mean the net of the negative or positive balances on the books of Davis-Standard (not including the French Subsidiary, U.K. Subsidiary and German Subsidiaries) as reflected on the Davis-Standard Consolidated Balance Sheet (excluding the French Subsidiary, U.K. Subsidiary and German Subsidiaries) dated the Closing Date, as such terms are defined in the Contribution Agreement.

"Delaware Act" shall mean the Delaware Limited Liability Company Act, as amended.

"EBITDA" means with regard to the Company for any Fiscal Year, the net income of the Company for that period *plus*, to the extent deducted from revenues in determining net income, (i) interest expense, (ii) expense for income or similar taxes paid or accrued, (iii) depreciation, (iv) amortization and (v) extraordinary non-recurring losses, *minus*, to the extent included in net income, extraordinary non-recurring gains, all in accordance with GAAP.

"Effective Date" shall mean the date of this Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect on the date in question, unless otherwise specifically provided.

"Fiscal Year" shall mean the twelve-month period ending on December 31 of each year, except that the first Fiscal Year shall be the period commencing on the date of the formation of the Company and ending on December 31, 2005 and the last Fiscal Year shall end on the date of the final distribution in liquidation of the Company. 4, 3 3 4

"Former Carry Holder" shall have the meaning set forth in Article 7.8(d).

"Free Cash Flow" shall mean, with respect to the Company, EBITDA *minus* interest paid, tax distributions, capital expenditures and increases in working capital.

"GAAP" shall mean generally accepted accounting principles for financial reporting in the United States, consistently applied.

"Governing Body" shall have the meaning given to such term in Article 3.4(e).

"HRCo" shall mean Hamilton Robinson LLC, a Delaware limited liability company.

"Interest" shall mean a Member's interest in the Company, including such Member's voting rights, Capital Account and Percentage Interest.

"Invest or Participate" means: (a) to acquire as a principal, partner, shareholder, member, Beneficial Owner or in any similar capacity, Capital Stock in a Person in excess of five percent (5%) of the total Capital Stock of such Person; or (b) by contract or otherwise, to manage, operate or finance a Person, or to participate in the management, operation or financing of a Person, or to act as agent, representative, consultant or in any similar capacity for a Person, or to permit a Person to use the name of a Member or its Affiliate.

"IRS" shall mean the Internal Revenue Service, a division of the Treasury Department of the United States of America.

"Keybank Facility" means the \$35,000,000 revolving credit facility with Keybank National Association, and any amendments thereto.

"LLC Exit Event" means the earliest to occur of the following transactions, which shall be on an arm's length basis:

(i) the merger of the Company with any Person that is not an Affiliate of the Company that is controlled by the Company and in which, after giving effect to such merger, the holders of a majority of the votes in the election of the board of directors of the surviving corporation, or, in the case of the surviving entity being a limited liability company or a partnership, the holders of the power, direct or indirect, to control the management and affairs of the surviving entity, are not the holders of the Common Membership Units;

(ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company and its subsidiaries, if any, to any Person that is not an Affiliate controlled by the Company;

(iii) the sale, transfer or other disposition by the Contributing Members of the Company, in one or more transactions, of a majority of the Common Membership Units in the Company to a Person other than an Affiliate of such Contributing Member, that is not an Affiliate controlled by the Company; or

(iv) the sale, transfer or other disposition, directly or indirectly, by the shareholders of BCCM and/or Crompton Holding, in one or more transactions, of more than fifty percent (50%) of their respective Capital Stock of BCCM and/or Crompton Holding, respectively to a Person other than an Affiliate of such Contributing Member.

"Management" shall have the meaning set forth in Article 4.1.

"Management Members" shall have the meaning set forth in the preamble.

"Members" shall have the meaning set forth in the preamble.

"Net Change in the Davis-Standard Intercompany Accounts" shall mean the net change in all asset intercompany accounts, liability intercompany accounts and equity intercompany accounts between the Davis-Standard Consolidated Balance Sheet dated December 31, 2004 and the Davis-Standard Consolidated Balance Sheet dated the Closing Date, after giving effect to the payments made pursuant to Section 8.3(a)(ii) of the Contribution Agreement.

"Net Proceeds" means the aggregate consideration received or due the Members in connection with an LLC Exit Event, after the deduction of any itemized third party fees or expenses of the Company or the Contributing Members related to the LLC Exit Event and as adjusted for any asset or liability distribution from the Company to the Members in accordance with this Agreement.

"Net Profits" or "Net Losses" means, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss).

"Observer" shall have the meaning set forth in Article 5.2(c).

"Overage Amount" shall have the meaning set forth in Article 7.8(a).

"Overage Percentage" shall have the meaning set forth in Article 7.8(a).

"Percentage Interest" means, with respect to any Member, the fraction (expressed as a percentage) set forth opposite such Member's name on Exhibit A hereto, as it may be amended from time to time to reflect changes therein made in accordance with this Agreement, which represents, for each Member, the ratio which such Member's Capital Account bears to the sum of the Capital Accounts of all Members.

"Person" shall mean any individual, corporation (including any nonprofit corporation), limited liability company, general or limited partnership, limited liability partnership, joint venture, estate, trust, association or other entity.

"Regulations" shall mean the permanent, temporary, proposed, or proposed and temporary income tax regulations of the Department of the Treasury promulgated under the Code, as such regulations may be amended from time to time.

"Securities Act" shall mean the U.S. Securities Act of 1933, in effect on the date in question, unless otherwise specifically provided.

"Senior Management" shall have the meaning set forth in Article 4.1.

"Substitute Member" shall have the meaning set forth in Article 8.3.

"Tax Allowance Amount" means, with respect to any Member, for any calendar quarter (i) forty-five percent (45%) of the excess of (a) such Member's share of the estimated net profits allocable to such Member arising from its ownership of an interest in the Company calculated through such calendar quarter over (b) any net losses of the Company for prior Fiscal Years and such Fiscal Year that are allocable to such Member that were not previously utilized in the calculation of the Tax Allowance Amounts in a prior Fiscal Year minus (ii) all prior distributions (including distributions of Tax Allowance Amounts) for such Fiscal Year, all as determined by the Management in good faith. The amount so determined by the Management shall be the Tax Allowance Amount for such period and shall be final and binding on all Members.

"Tax Matters Member" shall have the meaning set forth in Article 4.4.

"Tax Matters Partner" shall have the meaning set forth in Article 4.4.

"Total Withdrawal Amount" shall mean an amount equal to the aggregate amount of (i) the Restricted Cash Amount (as such term is defined in the Contribution Agreement), (ii) the Davis-Standard Cash Balance, and (iii) Net Change in the Davis-Standard Intercompany Accounts.

"Transfer" shall have the meaning set forth in Article 8.1(a).

"Unallocated Carry Percentage" shall mean that Carry Percentage set forth on Schedule II hereto (as adjusted from time to time upon allocation thereof) reserved for allocation, in whole or in part, to any management employee or director of the Company, at the discretion of the Board.

1.2 Construction. Whenever the context requires, the meanings of the terms set forth in Article 1.1 shall be equally applicable to the singular and plural forms thereof, and the gender of all words used in this Agreement shall include the masculine, feminine and neuter. All references to Articles refer to articles of this Agreement, and all references to Schedules and Exhibits are to schedules and exhibits attached to this Agreement, each of which is made a part of this Agreement for all purposes.

ARTICLE 2.

Formation and Term

2.1 Formation of Limited Liability Company. The Company has been formed as a Delaware limited liability company under the laws of the State of Delaware by the filing of a Certificate of Formation for the Company on March 31, 2005, in the Office of Secretary of State of the State of Delaware. The rights, duties and liabilities of the Members shall be as provided in the Delaware Act, except as otherwise provided in this Agreement.

2.2 Name. The name of the Company is Davis-Standard LLC. The business of the Company may be conducted upon compliance with all applicable laws under any other name designated by unanimous written agreement of the Contributing Members.

2.3 Business of the Company. The business of the Company (the "Business") shall be to engage solely (a) in the design, sale, installation, service and support of extrusion systems and converting machinery, and (b) in furtherance of or as related thereto, in such other lawful act or activity for which limited liability companies may be organized under the Delaware Act as may be approved by the Contributing Members in accordance with this Agreement. Unless both Contributing Members consent as provided herein, the Company shall have no authority to engage in any other lawful business for which a limited liability company may be organized under the Act.

2.4 Principal Place of Business. The principal place of business of the Company shall be #1 Extrusion Drive, Pawcatuck, Connecticut 06379.

2.5 Registered Office and Agent. The registered office of the Company shall be 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, and the name of the registered agent thereat is the Corporation Service Company. The Senior Management of the Company may at any time designate another registered agent and/or registered office.

2.6 Term. The term of the Company shall be perpetual.

2.7 Qualification in Other Jurisdictions. The Senior Management of the Company is authorized to cause the Company to be qualified, formed or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company transacts business in which such qualification, formation or registration is required or desirable. The Senior Management of the Company shall have full authority to execute, deliver and file any

certificates (and any amendments or restatements thereof) necessary for the Company to do business in a jurisdiction in which the Company may wish to conduct business.

ARTICLE 3.

Members, Membership Interests and Capital Accounts

3.1 Members, Capital and Capital Accounts.

(a) Exhibit A hereto lists the name of each Member and each Member's address, Percentage Interest, number of Common Membership Units and respective Capital Contributions. No interest is required be paid on any Capital Contribution, and no Member shall be required, without such Member's consent, to make any additional Capital Contribution. No Member will be liable for any debts or losses of the Company beyond such Member's Capital Contributions, except as and to the extent required by Delaware law.

(b) An individual Capital Account shall be established and maintained on behalf of each Member. Such Capital Account shall reflect the amount of each Capital Contribution made by such Member adjusted to reflect such Member's share of Net Profit or Net Loss, distributions to such Member, and other items to the extent creditable to or chargeable against such Capital Account by law and in accordance with this Agreement. The foregoing provisions and other provisions of this Agreement relating to maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Regulations and shall be interpreted and applied in a manner consistent therewith.

(c) No Member shall have the right to withdraw such Member's Capital Contribution or demand and receive Company property or any distribution in return for such Member's Capital Contribution, except as required by law (excluding any law which grants such a right in the absence of a negating provision in this Agreement) or as explicitly provided herein.

(d) The Management Members shall be subject to the provisions set forth in Article 7.8 and Article 8.5 herein.

3.2 Admission of Additional Members. Subject to the terms and conditions of Article 8 and Article 9 hereof and upon the unanimous written consent of the Contributing Members, the Members may admit to the Company additional Members who will participate in the profits, losses, and ownership of the capital of the Company on such terms as are unanimously determined by the Contributing Members.

3.3 Representations and Warranties. Each Member hereby represents and warrants to the Company and each other Member that: (a) the Member is acquiring its interest in the Company for the Member's own account as an investment and without an intent to distribute such interests and (b) the Member acknowledges that the interests in the Company have not been registered under the Securities Act or any state securities laws, and may not be resold or transferred by the Members without appropriate registration or the availability of an exemption from such requirements.

3.4 Other Activities.

(a) The Members and the Company each acknowledge that it is the intent of the Members and the Company that, except as expressly provided in this Agreement, the Company shall be the exclusive means by which each Member and their Affiliates engage in the business of design, installation, sale, and service and support of extrusion systems, and converting machinery.

(b) The Company and the Members hereto agree to exercise in good faith all reasonable efforts to satisfy the intent and expectation set forth in Article 3.4(a). In furtherance of that intent, and to protect adequately each Member's Interest in the Company, it is necessary and essential that the Company and the Members enter into and adhere to the covenants contained in this Article 3.4.

(c) Each Member hereby agrees that it or he will engage in the design, sale, installation, service and support of extrusion systems and converting machinery only and exclusively through its equity ownership interests in the Company or its employment or other association with the Company.

(d) Except as otherwise explicitly provided in this Agreement, no Member or its Affiliates shall, either directly or indirectly: (i) Compete with the Company for the design, installation, sale, and service and support of extrusion systems, and converting machinery; or (ii) Invest or Participate in any Person that Competes with the Company for the design, installation, sale, and service and support of extrusion systems, and converting machinery.

(e) No employee of the Company, or employee or member of the board of directors, managing board or similar governing body ("Governing Body") of a Member or its Affiliates shall serve as an employee or member of a Governing Body of a Competitor of the Company.

(f) Each of the Members and the Company agree that during the term of this Agreement, and continuing for twelve (12) months thereafter, such Member will not, nor will it permit any of its Affiliates to, knowingly solicit for employment or employ any employee employed by the Company or either Member, other than any employee that has been terminated by such party prior to such solicitation.

(g) The provisions of this Section 3.4 shall not apply to any Management Member that is subject to the terms of an employment agreement between such Member and the Company, provided that if, at any time, a Management Member is (i) no longer subject to the terms, including any covenant thereto, of such an employment agreement and (ii) is a member of the Board, such Member shall, at such time, become subject to this Section 3.4.

3.5 Vote of Contributing Members. Except as otherwise specifically and expressly reserved to a majority vote of the Board hereunder, all consents given, decisions made and actions taken (i) not in the ordinary course of business or (ii) not on an arms length basis, shall be decided only by the unanimous vote of the Contributing Members. Such consents, decisions and actions requiring the unanimous affirmative vote of the Contributing Members shall include, but not be limited to, the following:

(a) the amendment or modification of this Agreement, except any amendment or modification relating to the provisions of Article 7.7, Article 7.8 or Article 8.5, which shall require the unanimous consent of Contributing Members and the consent of those Management Members representing over 50% of the Carry Percentages;

(b) the approval of any transactions between the Company and any Member, or any Affiliate of any Member or Beneficial Owner of Capital Stock of any Member, or any member of the Governing Body or principal, employee, representative of a Member or of an Affiliate of a Member;

(c) dissolution, liquidation or winding-up of the Company except as otherwise expressly provided hereunder in Article 10 or Article 7.8;

(d) entering into any transaction, agreement or arrangement not in the ordinary course of business or not on an arms length basis;

(e) entering into any agreement or arrangement for services or fees with Crompton Holding, and/or HRCO or their respective Affiliates or principals, other than services provided and the fees payable under the Affiliate Agreements;

(f) Obtaining financing or refinancing for other than normal working capital needs, as reasonably determined by the Board;

(g) Granting any security interest in, lien on or pledge of the Company's property for other than the Company's working capital needs;

(h) Forming or selling any subsidiary, as well as acquiring or selling securities or interests in other companies, organizations or enterprises if the sale or acquisition exceeds 5% of the gross sales of the Company for the immediately preceding fiscal year;

(i) Acquiring or selling real estate or any interest therein when the sale or acquisition alone or in combination with other such sales exceeds \$5,000,000;

(j) Purchasing, licensing, granting or assigning any patents, copyrights, trademarks or similar rights in an arms-length transaction with an Affiliate of any member of the Board or an Affiliate of any Affiliate of a member of the Board;

(k) Making an election under the Code that affects the pass through status of the Company;

(l) Selling, exchanging or otherwise disposing of the Company's property, other than inventory, in a transaction that alone or in combination with others exceeds 5% of the gross sales of the Company for the immediately preceding fiscal year;

(m) Selling, exchanging or otherwise disposing of the Company's property, other than inventory, in a transaction with an Affiliate of any member of the Board or an Affiliate of any Affiliate of a member of the Board)

(n) Making any substantial changes relating to the initiation, disposition or discontinuance of any product line where the value of the product line exceeds 10% of the gross sales of the Company for the immediately preceding fiscal year;

(o) The acquisition in a transaction with an Affiliate of any member of the Board or an Affiliate of any Affiliate of a member of the Board for the transaction of stock or other securities, or a substantial portion of the assets, of any corporation, other entity or person, or the sale of any stock or other securities of, or a substantial portion of the assets of, any subsidiary corporation or entity;

(p) The acquisition in a transaction stock or other securities, or a substantial portion of the assets, of any corporation, other entity or person, or the sale of any stock or other securities of, or a substantial portion of the assets of, any subsidiary corporation or entity, so long as the gross consideration for such acquisition exceeds alone or in combination with other such transactions, \$1,000,000;

(q) Approval of a deviation of the annual operating and capital expenditure budgets by more than ten percent (10%) on any one particular posted item;

(r) The (i) commencement, compromise or settlement of lawsuits or other legal proceedings by the Company against (1) a Member (except with respect to the indemnification provisions set forth in Section 7.4 of the Contribution Agreement and with respect to the Affiliate Agreements), or (2) a Board member or an Affiliate of a Contributing Member, and (ii) the settlement by the Company of any contributed lawsuit set forth on Schedule 7.5(a)(2) and Schedule 7.5(b)(1) of the Contribution Agreement.

(s) Approval of a change in the Fiscal Year of the Company.

ARTICLE 4.

Management

4.1 Management. The day-to-day management of the Company shall be vested in the Chief Executive Officer ("CEO") and the President of the Company (the "President" and collectively with the CEO, the "Senior Management"), along with other officers of the Company as determined by the Board ("Management"). The CEO and the President may be the same person. The Senior Management shall be responsible for effecting all orders and resolutions of the Board. The CEO shall be appointed by and may be removed by BCCM as a Contributing Member, in its sole discretion. The remainder of Management shall be elected by the Board at any regular or special meeting of the Board. The Members hereby designate those people listed on Schedule III hereto as members of Management to serve in such capacity as is set forth opposite such person's name in such Schedule. Each member of Management shall hold office until his successor shall have been duly elected and qualified or until his death, resignation or removal. The Board may authorize the Company to enter into an employment contract with any member of Management in accordance with state law. Any member of

Management other than the CEO may be removed by the unanimous vote of both Contributing Members.

4.2 Authority of Management. Each member of the Senior Management shall have the authority to act individually for the Company and to bind it by his signature in connection with any arms length transaction in the ordinary course of business, except that Senior Management may not bind the Company in connection with any transaction made not on an arm's length basis or not in the ordinary course of business. The duties and authority of Management shall include, but not be limited to, all decisions and actions (i) not otherwise reserved to the Members and the Board (ii) made or taken in the ordinary course of business and (iii) such other duties as may be prescribed by the Board from time to time.

4.3 Management Fees. Each of Crompton and HRCO shall receive an annual management fee pursuant to the terms of the Crompton Corporate Services Agreement and the HRCO Corporate Services Agreement, respectively, as such terms are defined in the Contribution Agreement.

4.4 Tax Matters Member. BCCM shall act as the tax matters member ("Tax Matters Member") of the Company. The Tax Matters Member shall be considered the "Tax Matters Partner" for purposes of Section 6231(a)(7) of the Code. The Tax Matters Member shall inform the Members of all notices from government taxing authorities of which the Tax Matters Member has knowledge. Management shall immediately notify the Tax Matters Member of all notices from government taxing authorities. The Company shall pay and be responsible for all reasonable costs and expenses incurred by the Tax Matters Member in performing its duties hereunder. A Member shall be responsible for any costs incurred by such Member with respect to any tax audit or tax-related administrative or judicial proceeding against such Member, even though it may relate to the Company. Notwithstanding the foregoing, the Company shall pay and be responsible for all reasonable costs and expenses incurred by each Management Member with respect to the preparation of such Management Member's federal, state and local tax returns. The Tax Matters Member shall notify all Members of material developments in any IRS audit of the Company.

4.5 Annual Budget. At least thirty (30) days prior to the end of each Fiscal Year of the Company, the CEO of the Company shall cause to be prepared, for presentation to and approval by the Board pursuant to Article 5.7 hereof, an Annual Budget for the upcoming Fiscal Year of the Company, setting out, in reasonable detail and in form acceptable to the Board, (a) a projected statement of income, cash flow, and balance sheet for the Company and each business unit or subsidiary thereof, (b), on a consolidated basis, all material estimates used to develop the Annual Budget including, but not limited to, capital expenditures, growth estimates, changes in pricing strategies, new products, acquisitions, wage increases, and cost containment initiatives, and (c) such other items as may have been reasonably requested by any Contributing Member or any member of the Board. The Board shall meet with the CEO to discuss, amend and refine the proposed Annual Budget, and the Annual Budget adopted by the Board for a Fiscal Year shall, subject to unforeseen developments, become the operating budget of the Company for that Fiscal Year.

4.6 Indemnification.

(a) The Company shall indemnify and hold harmless, to the fullest extent under the circumstances permitted by Delaware law, all members of Management, all other present and future officers of the Company, and each Contributing Member ("Covered Company Person"), that are made or threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative by reason of the fact that such Covered Company Person is or was an officer of the Company, or by reason of any act or omission performed or omitted by such Covered Company Person acting in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Company Person by or pursuant to this Agreement, against any and all expense, liability and loss (including attorneys' fees, judgments, fines and amounts paid in settlement) incurred or suffered by such person in connection therewith. The foregoing notwithstanding, Covered Company Persons shall not be indemnified in respect of any loss, damage or claim incurred by such Covered Company Person by reason of gross negligence, bad faith, fraud or willful misconduct. Any indemnity under this Article 4.6 shall be provided out of and to the extent of Company assets only, and no other Covered Company Persons and no Member or other member of Management shall have personal liability on account thereof. This right of indemnification shall not be exclusive of any other rights to which a person indemnified herein may be entitled by agreement, unanimous vote of the Contributing Members, applicable law or otherwise, and shall continue as to a person who has ceased to be an officer with respect to acts or omissions that occurred during the period such person was employed as an officer, and shall inure to the benefit of the successors, heirs, executors, administrators and other legal representatives of such person. It is not intended that the provisions of this Article 4.6 be applicable to, and they are not to be construed as granting indemnity with respect to, matters as to which indemnification would contravene the laws of the State of Delaware or the United States of America, whether as a matter of public policy or pursuant to statutory or other provision.

(b) In the event that any claim, demand, action, suit or proceeding shall be instituted or asserted or any loss, damage or claim shall arise in respect of which indemnity may be sought pursuant to Article 4.6(a), such Covered Company Person shall promptly notify the Company, in writing. Failure to provide notice shall not affect the obligations hereunder except to the extent the Company is actually prejudiced thereby.

(c) The Company shall have the right to participate in and/or control the defense of any such claim, demand, action, suit or proceeding and, in connection therewith, to retain counsel reasonably satisfactory to each Covered Company Person, at the Company's expense, to represent each Covered Company Person and any others the Company may designate in such claim, demand, action, suit or proceeding. The Company shall keep the Covered Company Person advised of the status of such claim, demand, action, suit or proceeding and the defense thereof and shall consider in good faith recommendations made by the Covered Company Person with respect thereto.

(d) Expenses incurred by a Covered Company Person in defending any claim, demand, action, suit, or proceeding subject to Article 4.6(a) shall, from time to time, upon request by the Covered Company Person and approval of the Board, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Company Person to

repay such amount if it shall be ultimately determined in a judicial proceeding that such Covered Company Person is not entitled to be indemnified as authorized in Article 4.6(a).

(e) The provisions of this Article 4.6 are for the benefit of the Covered Company Persons and shall not be deemed to create any rights for the benefit of any other Persons.

4.7 Insurance.

(a) The Company shall maintain, at its expense, an insurance policy or policies providing director, officer or employee coverage to protect itself and any Covered Company Person against liability arising out of this Agreement.

(b) The Company, at its expense, shall maintain adequate property and casualty and such other insurance, in such amounts and against such risks, and with such deductibles and self insured retention limits, as the Board may determine. Upon request, the Company shall deliver to each Member satisfactory evidence of any such coverage.

ARTICLE 5.

Board of Directors

5.1 Generally.

(a) Subject to the requirements of this Agreement, the property, business and affairs of the Company shall be managed by its Board of Directors (the "Board"), which shall be comprised of five (5) members unless otherwise agreed by the Members in accordance with Article 5.2(b). Crompton Holding is entitled to appoint two (2) members of the Board. BCCM is entitled to appoint three (3) members of the Board, one of whom will be the CEO. Each member of the Board shall have one (1) vote.

(b) All reasonable direct out of pocket costs and expenses incurred by members of the Board in conducting the business and affairs of the Company, including, without limitation, costs incurred in connection with travel to and attendance at meetings thereof, shall be reimbursed by the Company as a Company expense. Board members shall serve without additional compensation or benefits from the Company.

5.2 Composition of the Board.

(a) As of the Effective Date, the Board consists of the following five (5) Board members:

<u>Name</u>	<u>Appointing Member</u>	<u>Title</u>
Scott Oakford	BCCM Holdings, Inc.	Chairman of Board and Chairman of Compensation Committee

Charles Buckley	BCCM Holdings, Inc.	Audit Committee Chair
Robert Ackley	BCCM Holdings, Inc.	
Greg McDaniel	Crompton Holding	Audit and Compensation Committee
Arthur Wienslaw	Crompton Holding	Audit and Compensation Committee

(b) At any time following the Effective Date, each Contributing Member shall have the right, but not the obligation, to elect to increase the size of the Board from five (5) to seven (7). Upon any such election, the electing Contributing Member shall notify the other Contributing Member, and each Contributing Member shall appoint one additional member to the Board. Such appointments shall become effective simultaneously upon the earlier of (i) such time as the Company shall have received notice of both such appointments, and (ii) thirty (30) days following receipt by the non-electing Member of the notice of election.

(c) Each Contributing Member shall have the right to invite an observer ("Observer") to attend a Board meeting, provided the other Contributing Member approves, in its reasonable discretion. A Contributing Member may reasonably refuse approval for an Observer if the Contributing Member reasonably determines the Observer's attendance at a Board meeting might adversely affect the attorney-client privilege between the Company and its counsel; or if, in the opinion of such Contributing Member, the agenda with respect to any meeting of the Board includes, or if it is anticipated that any such meeting will include, any discussions or actions to be taken, with respect to a specific Contributing Member (distinct from all other Contributing Members), or with respect to any matter in which such Contributing Member has a direct conflict of interest distinct from other Members, then the Observer, serving as the representative of such Contributing Member, will not have any right to attend the portion of such meeting relating to such discussions or actions. The Contributing Member inviting the Observer shall be responsible for having the Observer sign a standard non-disclosure agreement prior to attending any meeting or receiving any materials or other information related thereto.

5.3 Resignation; Removal. A member of the Board may resign at any time with or without cause. A member of the Board may be removed at any time by the unanimous vote of the other members of the Board for intentional misconduct or a knowing violation of law that causes material damage to the assets of the Company. A member of the Board may be removed with or without cause at any time by the Member who appointed such Board member. Any vacancy occurring in the Board, whether caused by death, resignation, removal or otherwise, may be filled only by the Member who originally appointed the vacating Board member. A Board member appointed to fill a vacancy shall be appointed for the unexpired term of his predecessor in office.

5.4 Meetings of the Board. Regular meetings of the Board may be held at such times and places as the Contributing Members shall determine, but it shall in no event meet less frequently than once every three (3) months. Special meetings of the Board may be called for any purpose or purposes by any three (3) members of the Board. Only business within the purpose or purposes described in the notice of the special meeting may be conducted at such special meeting, unless otherwise agreed by all members of the Board.

5.5 Notice of Meetings. Notice of each special meeting of the Board, and of the first regular meeting of the Board (or of any regular meeting, the time or venue of which has changed from that of the last such regular meeting), stating the date, time and place and, in the case of a special meeting, the purposes thereof, shall be given to each member of the Board, not less than five (5) nor more than thirty (30) days before the date of such meeting. Notice shall be delivered to a member of the Board at the address of such member as shall be on file with the Company. The presence in person of a member of the Board at any such meeting shall constitute waiver of prior notice thereof, unless such presence is expressly for the purpose of protesting lack of due notice.

5.6 Quorum; Voting. The presence of 80% of all members of the Board in person, by telephone or by proxy shall constitute a quorum at each meeting of the Board. The members of the Board present at a meeting of the Board at which a quorum is not present may adjourn the meeting until such time and place as may be determined by vote of a majority of the members present, provided that notice shall be duly given of such adjournment pursuant to the terms of Article 5.5. At any such adjourned meeting (i) the presence of 50% of all members of the Board in person or by proxy, shall constitute a quorum for purposes of such meeting, and (ii) if a quorum is present, any business may be transacted that might have been transacted at the meeting as originally convened.

5.7 Board Approval. The affirmative vote of (i) a majority of the members of the Board present at a meeting at which a quorum exists pursuant to Article 5.6 or (ii) all of the members of the Board by written consent pursuant to Article 5.8, shall be required for the Board to take action with respect to any of the following matters:

(a) Approval of the annual operating and capital expenditure budgets (from which approved budgets the Senior Management may not deviate by more than ten percent (10%) on any one particular posted item without obtaining additional approval);

(b) Obtaining financing or refinancing from a non-Affiliate of any member of the Board (and a non-Affiliate of any Affiliate of a member of the Board) for normal working capital needs, including, but not limited to, interim and permanent financing and refinancing of the operation of the Company's Business and the Keybank Facility;

(c) Granting any security interest in, lien on or pledge of the Company's property to secure a loan intended to fund the Company's working capital needs;

(d) Making any loans or advances, or granting any guarantee for indebtedness or other financial performance obligations of the Company in connection with the Business;

(e) Forming or selling any subsidiary, as well as acquiring or selling securities or interests in other companies, organizations or enterprises, so long as such sale or acquisition does not exceed 5% of the gross sales of the Company for the immediately preceding fiscal year;

(f) Acquiring or selling real estate or any interest therein, so long as such sale or acquisition alone or in combination with other such sales does not exceed \$5,000,000;

(g) Appointing or changing the independent accountants and legal counsel for the Company (but only after consultation with and advice from the two Contributing Members to confirm that proposed accountants and/or counsel are reasonably qualified for such appointment);

(h) Purchasing, licensing, granting or assigning any patents, copyrights, trademarks or similar rights in an arms-length transaction with a non-Affiliate of any member of the Board (and a non-Affiliate of any Affiliate of a member of the Board);

(i) Adoption or amendment of pension, group compensation, profit sharing or other incentive or employee benefit plans;

(j) Entering into employment agreements;

(k) Terminating (including the non-renewal thereof), amending, extending the term of, or waiving any provision of any executive officer's employment agreement;

(l) Terminating (including the non-renewal thereof), amending or extending the terms of any of the other material agreements to which the Company is a party;

(m) Making any elections required by the Company under the Code, except any affecting the pass through status of the Company (which election shall require an affirmative vote of both Contributing Members);

(n) Selling, exchanging or otherwise disposing of the Company's property, other than inventory, in a transaction with a non-Affiliate of any member of the Board (and a non-Affiliate of any Affiliate of a member of the Board) in the ordinary course of business, so long as such disposition (alone or in combination with others) does not exceed 5% of the gross sales of the Company for the immediately preceding fiscal year;

(o) Making any substantial changes relating to the initiation, disposition or discontinuance of any product line so long as the value of such product line does not exceed 10% of the gross sales of the Company for the immediately preceding fiscal year;

(p) The acquisition in a transaction with a non-Affiliate of any member of the Board (and a non-Affiliate of any Affiliate of a member of the Board) of stock or other securities, or a substantial portion of the assets, of any corporation, other entity or person, or the sale of any stock or other securities of, or a substantial portion of the assets of, any subsidiary corporation or entity, so long as the gross consideration for such acquisition does not exceed alone or in combination with other such transactions, \$1,000,000;

(q) The commencement, compromise or settlement of lawsuits or other legal proceedings by the Company other than those involving a Member (except with respect to the indemnification provisions set forth in Section 7.4 of the Contribution Agreement and with respect to the Affiliate Agreements), a Board member or an Affiliate of a Contributing Member;

(r) Allocation of all or any part of the Unallocated Carry Percentage to a management employee or director of the Company.

5.8 Action without a Meeting. Any action which is required or permitted to be taken at any regular or special meeting of the Board, including determinations and consents under this Agreement, may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, shall be signed by all the members of the Board.

5.9 Telephonic Meetings. The Board may hold meetings by conference telephone or similar communications equipment, by means of which all persons participating in such meeting can hear each other, and participation in a meeting pursuant to this Article 5.9 shall constitute presence in person at such meeting.

5.10 Duties and Liabilities of Members of the Board in Such Capacity.

(a) The members of the Board shall perform their respective board management duties hereunder in good faith and with that degree of care that an ordinarily prudent person in a like position would use under similar circumstances to protect and promote the interests of the Company and the Members. When voting on matters before the Board, the members of the Board, irregardless of which Member appointed them, shall owe their fiduciary duty and duty of loyalty to the Company, and not to the Member who appointed them. The members of the Board shall be entitled to rely, in the performance of such duties, on information, opinions, reports or statements, including financial statements, in each case prepared by one or more agents or employees, counsel, public accountants or other persons employed by the Company as to matters that the members of the Board reasonably believe to be within such person's competence.

(b) The members of the Board shall not be personally liable to the Company or any other Member for the debts, obligations or liabilities of the Company solely by reason of the performance of their management duties hereunder. The Company shall, to the extent of and otherwise in accordance with the indemnity provided to Management pursuant to Article 4.6, indemnify and hold each member of the Board (and, where applicable, his, her or its respective Affiliates, heirs, personal representatives, assigns, officers, partners, members, employees, directors and shareholders), harmless from and against all losses incurred as a result of or in connection with any act or omission by the members of the Board, for or on behalf of the Company in the exercise of his or her management duties hereunder, unless such act or omission was unauthorized, contrary to this Agreement, grossly negligent or in bad faith.

5.11 Officers.

(a) The Board may, from time to time, designate one or more qualified natural persons, including any member of the Board, as an officer of the Company, provided, however, that the CEO may be designated only by BCCM, as a Contributing Member, in its sole discretion. Officers may or may not be Members, but no officer shall be deemed a Member merely due to the fact of his or her appointment as an officer. Any officer so designated shall have such authority, and perform such duties, as the Board may from time to time delegate to

such officer, consistent with the requirements of this Agreement. Unless the Board decides otherwise, if a title assigned to any such officer is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office, subject to any specific authority and duties or limitations set forth in the delegation thereof.

(b) Any officer may be removed by the Board at any time, with or without cause, provided, however, that the CEO may be removed only by BCCM, as a Contributing Member, in its sole discretion. Subject to the requirements of this Agreement, any vacancy occurring in any office of the Company may be filled by the Board.

5.12 Approval of LLC Exit Event. Prior to March 31, 2010, the timing of a LLC Exit Event may be effected pursuant to the affirmative vote of a majority of the Board, *provided however*, that the unanimous consent of the Contributing Members shall be required to approve all other aspects of the LLC Exit Event, which consent shall not be unreasonably withheld. On and after March 31, 2010, either Contributing Member shall have the right to require that the Board retain a qualified and nationally recognized investment bank to advise the Company with respect to a proposed LLC Exit Event; *provided however*, that the unanimous consent of the Contributing Members shall be required to approve any proposed LLC Exit Event, including without limitation, the timing and all other aspects of the LLC Exit Event. The Management Members shall participate in any LLC Exit Event on such terms and in such manner as are approved pursuant to this Article 5.12.

5.13 Cooperation. The Company agrees to cooperate with the Contributing Members in defending the contributed lawsuits set forth on Schedule III, including providing labor and materials if needed. At the LLC Exit Event, any itemized, out of pocket expenses incurred by the Company in providing such cooperation shall be paid pursuant to Section 7.5 of the Contribution Agreement.

ARTICLE 6.

Accounting and Records

6.1 Records and Accounting. The books and records of the Company shall be kept, and the financial position and the results of its operations recorded, at the expense of the Company, in accordance with GAAP. The books and records of the Company shall reflect all Company transactions and shall be appropriate and adequate for the Company's business and shall include, but not be limited to, the following:

- (a) a current list of the full name and last known business, residence and mailing address of each past and present Member and Board member;
- (b) copies of the Company's federal, state and local tax returns, monthly, quarterly and annual financial statements and reports described in this Article 6 for the six (6) most recent fiscal years;

(c) copies of the Certificate of Formation and prior and present limited liability company agreements and all amendments thereto; and

(d) minutes of all meetings of Members and Board members, and all resolutions and unanimous consents adopted by the Board members and the Members.

6.2 Access to Records and Accounting. All books and records of the Company shall be maintained at the Company's principal place of business, and each Contributing Member or its duly authorized representatives shall have access to them at such office. In addition, each Contributing Member may request and shall promptly receive copies of and may inspect and copy during ordinary business hours and at the principal place of business of the Company any and all books and records of the Company, including, but not limited to, those listed in this Agreement.

6.3 Annual and Tax Information. The Tax Matters Member shall take all appropriate action in order that the Company delivers to each Member, within sixty (60) days after the end of each Fiscal Year, all information necessary, including, without limitation, IRS form K-1, for the preparation of such Member's federal income tax return.

6.4 Federal Income Tax Elections. The Tax Matters Member shall make all elections for federal income tax purposes on behalf of the Company, provided that the Tax Matters Member has received the prior written approval of the Board (except that no Board approval shall be required if the Board has failed to act upon reasonable notice of the matter requiring a tax election and the Tax Matters Member determines in good faith that a particular election must be then be made in order to protect the Company's interests).

6.5 Taxation as Partnership. It is the intention of the Members that the Company be treated as a partnership for U.S. federal income and the Members' tax purposes. The Members hereby authorize the Tax Matters Member to execute and file any and all documents necessary to effect such treatment as a partnership.

6.6 Periodic Reports.

(a) Within 25 days after the end of each calendar month (including quarter-end months), the Company shall provide to the Board as of the end of such month, in sufficient detail as requested by the Board, statements of income and cash flow, the Members' Capital Accounts, and, on a consolidated basis, balance sheets by business unit and legal entity, and a management discussion and analysis report from each of the President and the Chief Financial Officer of the Company.

(b) Within 45 days after the end of each Fiscal Year and prepared in accordance with GAAP, the Company will provide to each Member consolidated audited financial statements and a statement of each Member's Capital Account.

ARTICLE 7.

Capital Contributions; Allocations; Distributions; and Interests

7.1 Capital Contributions. Additional capital contributions shall be made only as determined by the unanimous agreement of the Contributing Members.

7.2 Allocation of Net Profits and Net Losses.

(a) The Net Profits of the Company for each Fiscal Year shall be allocated in the following order and priority:

(i) First, to any Member to the extent of the excess, if any, of (i) the cumulative Net Losses allocated to such Member pursuant to Article 7.2(b) for all prior Fiscal Years over (ii) the cumulative Net Profits allocated to such Member pursuant to this Article 7.2(a)(ii) for all prior Fiscal Years; and

(ii) Second, the balance, if any, among the Members in accordance with their Percentage Interests.

(b) The Net Losses of the Company for each Fiscal Year shall be allocated among the Members in accordance with their Percentage Interests.

(c) Unless the Capital Accounts of all Members have been reduced to zero, Net Losses shall not be allocated to a Member to the extent such an allocation would cause the Member to have a deficit balance in its Capital Account in excess of the Member's deficit balance restoration obligation, as described in Regulation Section 1.704-1(b)(2)(ii)(d)(3); such Net Losses shall instead be allocated to the other Members pro rata, based on their Percentage Interests. This Article 7.2(c) shall not apply to allocations of Net Losses if the Capital Accounts of all Members are zero.

7.3 Tax Allocations.

(a) Notwithstanding any other provisions in this Agreement, if a Member unexpectedly receives an adjustment, allocation or distribution described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) or 1.704-1(b)(2)(ii)(d)(6), and the unexpected adjustment, allocation or distribution results in a deficit balance in the Capital Account for such Member, the Member shall be allocated items of income and gain in an amount and manner sufficient to eliminate the deficit balance or the increase in the deficit balance as quickly as possible. It is intended that this Article 7.3 will meet the requirements of a "qualified income offset" as defined in Regulations Section 1.704-1(b)(2)(ii)(d) and this subdivision is to be interpreted and applied consistent with that intention.

(b) The Capital Accounts of the Members shall be maintained in accordance with Regulation 1.704-1(b)(2)(iv)(g).

7.4 Distributions.

(a) Within 60 days after the end of each Fiscal Year, the Company shall reserve and distribute to BCCM the Free Cash Flow, calculated as of the end of such Fiscal Year, to the extent and only to the extent of the BCCM Special Distribution Amount with such amount to be reduced for any distribution made under this Article 7.4(a) for any prior Fiscal Year or previous distribution of all or any of the BCCM Special Distribution Amount made hereunder, to BCCM, it being understood that the BCCM Special Distribution Amount is a one time distribution and not a recurring distribution. Amounts distributed pursuant to this Article 7.4(a) shall be treated as distributions of Free Cash Flow for all purposes of this Agreement and shall be offset against and reduce subsequent distributions of Free Cash Flow made pursuant to Article 7.4(b).

(b) Within 60 days after the end of each Fiscal Year, the Company shall reserve and make available for distribution to the Members an amount equal to fifty per cent (50%) of the Free Cash Flow calculated as of the end of such Fiscal Year ("Annual Distribution"). The Company shall distribute the Annual Distribution for a Fiscal Year to the Members as follows:

(i) If neither Contributing Member elects to receive the Annual Distribution, then the Company shall not distribute any portion of the Annual Distribution to any Member.

(ii) If both Contributing Members elect to receive the Annual Distribution, then the Company shall distribute the Annual Distribution to the Members pro rata in accordance with their Percentage Interests.

(iii) If one Contributing Member elects to receive the Annual Distribution and the other Contributing Member does not elect to receive the Annual Distribution, then the Company shall distribute the Annual Distribution (or a portion thereof) as follows:

(A) If a majority (by Percentage Interest, considering only the Management Members) of the Management Members elects to receive the Annual Distribution, the Company shall distribute to each Management Member an amount equal to such Management Member's Percentage Interest multiplied by the Annual Distribution.

(B) If the Contributing Member electing to receive the Annual Distribution also elects to receive the other Contributing Member's share of the Annual Distribution, then the Company shall distribute to the first-mentioned Contributing Member an amount equal to the product of (A) the sum of the Percentage Interests of the Contributing Members and (B) the Annual Distribution. Otherwise, the Company shall distribute to the Contributing Member electing to receive the Annual Distribution an amount equal to such Contributing Member's Percentage Interest multiplied by the Annual Distribution.

All elections made under this Article 7.4(b) must be made at the time and in the manner specified by the Board in order to be effective. Immediately prior to the distributions described in this Article 7.4(b), the Capital Accounts of the Members shall be adjusted to reflect the fair market value of the Company, in accordance with Regulation 1.704-1(b)(2)(iv)(f). For purposes of this adjustment, the fair market value of the Company shall be equal to the product of (A) five (5) and (B) EBITDA, as at the end of such Fiscal Year.

7.5 Tax Distributions. Notwithstanding Article 7.4 above, as soon as reasonably practicable after the end of each calendar quarter, the Management shall determine the Tax Allowance Amount for each Member in respect of such quarter. Upon such determination, the Company shall distribute each Member's Tax Allowance Amount to such Member provided that such distribution is not prohibited by applicable law or any agreement to which the Company is then a party or is otherwise bound. All such distributions shall have priority over any distributions pursuant to Article 7.4 above.

7.6 Allocation of Income and Loss and Distributions in Respect of Interests Transferred.

(a) If, during a Fiscal Year an Interest is transferred or a new Member is admitted to the Company in accordance with the terms of this Agreement, each item of income, gain, loss, deduction, or credit of the Company for such Fiscal Year shall be assigned pro rata to each day in the particular period of such Fiscal Year to which such item is attributable (*i.e.*, the day on or during which it is incurred) and the amount of each such item so assigned to any such day shall be allocated to the Member based upon the provisions of Article 7.2 hereof.

(b) Distributions of Company assets shall be made only to the Members who, according to the books and records of the Company, are Members on the actual date of distribution. Neither the Company nor any Member shall incur any liability for making distributions in accordance with the provisions of the preceding sentence, whether or not the Company or Member has knowledge or notice of any transfer of an Interest in the Company. Notwithstanding any provision above to the contrary, gain or loss of the Company realized in connection with a sale or other disposition of any of the assets of the Company shall be allocated solely to the Members of the Company as of the date such sale or other disposition occurs.

7.7 Distributions Upon Liquidation. Upon liquidation of the Company (other than a liquidation following an LLC Exit Event), the net assets remaining after payment or reserve for all Company liabilities shall be distributed according to Section 7.8. For this purpose, however, and notwithstanding any other provision of this agreement, the Net Proceeds shall be deemed equal to the Company's net assets remaining after payment or reserve for all Company liabilities.

7.8 Distributions Upon LLC Exit Event or Liquidation.

(a) Upon an LLC Exit Event or a liquidation of the Company, the Net Proceeds shall be distributed according to the following priorities. First, to the extent that the aggregate distributions made to BCCM pursuant to Article 7.4(a) have been less than the BCCM Special Distribution Amount, BCCM shall receive the Net Proceeds to the extent of such shortfall. Second, if the Net Proceeds exceed the Carry Threshold (such excess, the "Overage Amount"), the Carry Holders shall receive the Net Proceeds to the extent of twelve percent (12%) (the "Overage Percentage") of such Overage Amount (the "Aggregate Carry Amount"), pro rata in accordance with their Carry Percentages (in each case, the "Carry"). Third, the Members shall receive the Net Proceeds remaining after the prior distributions pro rata in accordance with the positive Capital Account balances. Immediately prior to these distributions, the Capital Accounts of the Members shall be adjusted to reflect the fair market value of the Company, in accordance with Regulation 1.704-1(b)(2)(iv)(f).

(b) Notwithstanding any other provision of this Agreement, if any Carry Holder who is not a Management Member shall for any reason cease to be either a director or an employee of the Company or any Affiliate of the Company, such Carry Holder shall forfeit any interest in the Carry. The Board may, in its discretion, by majority vote waive the application of the prior sentence and cause the Company to pay to a Carry Holder described in such sentence, in full satisfaction of such Carry Holder's interest in the Carry, an amount equal to the estimated fair market value of such Carry Holder's interest in the Carry, determined as of the date of termination of such Carry Holder and otherwise at the discretion of the Board.

(c) Notwithstanding the foregoing, no Management Member shall be entitled to receive his Carry Percentage of the Aggregate Carry Amount unless such Management Member including any assignee or assignees of such Management Member pursuant to Article 8.2(c), is the holder of at least that number of Common Membership Units as is set forth opposite such Management Member's name on Exhibit A hereto, or such other securities of the Company or its successor company exchangeable for such Common Membership Units.

(d) To the extent a Carry Holder ceases to have the right to receive payment pursuant to this Article 7.8 (a "Former Carry Holder"), the Board, by majority vote, shall have the option to (i) designate all or any part of the Former Carry Holder's Carry Percentage to the Unallocated Carry Percentage, or (ii) cause the Carry Percentages of each of the remaining Carry Holders to be increased pro rata such that the sum of the remaining Carry Percentages (including the Unallocated Carry Percentage, if any) shall be equal to 100%, provided, that the Overage Percentage shall be adjusted such that it will be equal to (i) the Overage Percentage, less (ii) the product of (A) the Overage Percentage and (B) the Carry Percentage of the Former Carry Holder.

ARTICLE 8.

Changes in Members

8.1 Restrictions on Transfer.

(a) No Member shall assign, convey, sell, encumber or in any way alienate ("Transfer") all or any part of such Member's Interest in the Company, except in accordance with the terms of this Agreement. Any Transfer (including an involuntary Transfer or a Transfer by operation of law) effected or purported to be effected in violation of the terms and conditions of this Agreement shall be void *ab initio* and shall not entitle transferee to any rights as a Member hereunder or otherwise bind the Company. Unless otherwise indicated, all provisions hereof relating to transfers of an Interest shall apply to transfers of any portion of an Interest.

(b) The terms of Article 8.1(a) notwithstanding, in the event of the death of a Member who is an individual, all of the Interest in the Company (other than voting rights) held by such Member shall transfer to and vest in the beneficiaries or heirs of such Member's estate; provided, however, that only the beneficiaries or heirs of such estate who are admitted as Substitute Members in accordance with Article 8.3 shall receive the right to vote; provided further that, if such beneficiaries or heirs are admitted as Substitute Members, the legal representative of such estate shall be entitled to vote on behalf of such beneficiaries or heirs pending the estate's settlement, and such vote shall be conclusive on all interested parties.

8.2 Permitted Transfers. Anything contained herein to the contrary notwithstanding, a Member may Transfer such Member's Interest (a) with the prior written consent of both Contributing Members, which consent shall be in the absolute and unfettered discretion of each such Contributing Member, (b) to any entity which is and remains an Affiliate of the transferor Member and executes an instrument satisfactory to the Board accepting and adopting the terms and provisions of this Agreement, in the same manner as applicable to the transferor Member in respect of the transferred Interest, and (c) if necessary or advisable for demonstrated estate planning purposes. Anything contained herein to the contrary notwithstanding, a Contributing Member may, without the consent of any other Member, Transfer all or part of such Member's Interest to any Affiliate of the transferor Member and become a Substitute Member upon execution of an instrument reasonably satisfactory to the Board accepting and adopting the terms and provisions of this Agreement.

8.3 Substitute Members. A transferee of an Interest who satisfies the conditions of this Article 8.3 shall be admitted as a Member in the Company (a "Substitute Member"). A transferee of an Interest who is not admitted under this Article 8.3 as a Substitute Member shall not be admitted to any of the rights of the Member who initially transferred the Interest to such transferee (other than with respect to profit and loss allocations and to receive distributions). A transferee of an Interest shall be admitted as a Substitute Member if such transferee acquired the subject Interest in a transaction described in Article 8.2(a) or 8.2(b) above or, in the case of a transfer by a non-Contributing Member, if each of the following four conditions are met: (i) the Board by majority vote shall have consented to such admission, which consent shall be in the absolute and unfettered discretion of the Board, (ii) such Person executes

an instrument reasonably satisfactory to the Board accepting and adopting the terms and provisions of this Agreement, (iii) such person pays any reasonable direct expenses incurred by the Company in connection with the Member's admission as a Substitute Member, and (iv) if required by the Board, the transferee delivers to the Company an opinion of counsel satisfactory to the Company that registration of such transfer under the Securities Act and state securities laws is not required and that such transfer will not subject the Company to the registration requirements of the Investment Company Act of 1940, as amended.

8.4 Effect of Transfer. Any transferee of an Interest in the Company shall take such Interest subject to the restrictions on Transfer imposed by this Agreement. Anything contained herein to the contrary notwithstanding, no transferee of an Interest shall have the right to participate in the management of the business and affairs of the Company, to vote, or become a Member, but shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions to which the transferor of such Interest in the Company would otherwise be entitled until such time and unless such transferee becomes a Substitute Member in accordance with Article 8.3 hereof.

8.5 Management Members. Notwithstanding any other provision of this Agreement, if any Management Member, for any reason, is no longer either a director or an employee of the Company or any Affiliate of the Company, then such Management Member shall promptly offer to sell, and shall have the right to sell, any and all of his Interest to the Company (i), in the event such termination of employment or service as a director is voluntary or for cause, at the lower of cost or the fair market value of such Interest as determined in good faith by the Board (without regard to minority discounts, lack or marketability discounts or the like), or (ii), in the event such termination of employment or service as a director is without cause or upon the death of a Management Member, at the fair market value of such Interest as determined in good faith by the Board (without regard to minority discounts, lack or marketability discounts or the like) plus an amount equal to the estimated value, as of such termination or death, of such Management Member's Carry, to be determined as if an LLC Exit Event were to occur as of the date of the termination or death of such Member and would render Net Proceeds in an amount that would result in an Overage Amount, with such Carry to be calculated on the basis of the Board's fair market value determination of the Management Member's Interest at the time of termination or death (without regard to minority discounts, lack or marketability discounts or the like). All matters related to the sale of a terminated Management member shall be consummated as contemporaneously as possible with the termination. Notwithstanding the foregoing, the Board, by majority vote, may waive any right of the Board pursuant to this Article 8.5 with respect to any Management Member.

ARTICLE 9.

Preemptive Rights

9.1 Issuances. Without the prior written consent of each Contributing Member, which consent shall be in the absolute and unfettered discretion of each such Contributing Member, the Company shall not issue or sell or otherwise transfer for consideration any equity interest in the Company or any debt instrument convertible into an equity interest in the Company.

ARTICLE 10.

Termination

10.1 Termination of the Company.

(a) The Company shall be dissolved in accordance with Section 18-801 of the Delaware Act upon the first to occur of the following:

- (i) the written consent of each Contributing Member; or
- (ii) the Bankruptcy, expulsion, resignation or dissolution of any Member, unless the remaining Members owning a majority of the capital interests and a majority of the profits interest owned by all remaining Members, determined pursuant to Revenue Procedure 94-46, 1994-2 C.B. 688, agree to continue the Company; or
- (iii) upon the entry of a decree of dissolution pursuant to Section 18-802 of the Delaware Act.

10.2 Distribution of Assets.

(a) Subject to the provisions of the Delaware Act, upon the dissolution and winding-up of the Company, the assets of the Company shall be distributed in the following order:

(i) to creditors, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision for payment has then already been made; and

(ii) to Members as provided in Article 7.7 in accordance with the requirements set forth in Section 1.704-1(b)(2)(ii)(b)(2) of the Regulations.

(b) Notwithstanding the provisions of Article 10.2(a):

(i) If any assets of the Company consisting of securities that are not freely marketable or for which a public market does not exist are to be distributed in kind, the net fair market value of such assets as of the date of dissolution shall be determined in good faith by the Board in accordance with generally accepted industry practices, appraisal or by agreement of the Members. Any assets of the Company distributed in kind on dissolution of the Company shall be distributed in accordance with the provisions of Article 7.4 and such assets shall be deemed to have been sold as of the date of dissolution for their fair market value (net of the amounts of any indebtedness secured by such assets), and the Capital Accounts of the Members shall be adjusted pursuant to Article 3.1(b) of this Agreement to reflect such deemed sale.

(ii) Upon a liquidation within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Regulations, if any Member has a deficit in its Capital Account (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Member shall have no obligation to make any contribution to the capital of the Company, and the negative balance of such Member's Capital Account shall not be considered a debt owed by such Member to the Company or to any other person for any purpose whatsoever.

(c) Upon completion of the winding-up, liquidation and distribution of assets, the Company shall be deemed terminated.

ARTICLE 11.

Miscellaneous

11.1 Entire Agreement. This Agreement and the Certificate of Formation constitute the complete and exclusive agreement among the Members with respect to the subject matter hereof, and supersede any prior agreement or understanding among the Members with respect to such subject matter, including, without limitation, the Letter of Intent dated November 24, 2004, and cover letter dated December 3, 2004 and response letter dated December 4, 2004.

11.2 Governing Law; Jurisdiction.

(a) This Agreement and the rights of the Members hereunder shall be governed by, interpreted, and enforced in accordance with the substantive laws of the State of Delaware.

(b) Any proceeding arising out of or relating to this Agreement may be brought in the courts of the State of Delaware, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the proceeding shall be heard and determined only in any such court and agrees not to bring any proceeding arising out of or relating to this Agreement in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any proceeding referred to in the first sentence of this section may be served on any party anywhere in the world.

11.3 Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement will be binding upon and inure to the benefit of the Members, the Company, and their respective distributees, successors and assigns.

11.4 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

11.5 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, such provision or application thereof shall be reduced in scope, effect or any other relevant respect to that extent necessary to render same legal, valid and enforceable, and the remainder of this Agreement or the application of such provision to other persons or circumstances shall not be affected thereby.

11.6 Multiple Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile shall be deemed to be their original signatures for any purpose whatsoever.

11.7 Additional Documents and Acts. Each Member agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to comply with the requirements of law for the formation and operation of the Company and to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement.

11.8 Notices. Any notice to be given or to be served upon the Company or a Member under or in connection with this Agreement must be in writing and, unless otherwise provided in this Agreement, shall be deemed to have been given when duly signed or made (i) when personally delivered (provided written confirmation thereof is also delivered in person or by express courier), or (ii) upon delivery by Federal Express Mail or similar nationally recognized express courier service which provides evidence of delivery, or (iii) upon delivery of a facsimile transmission, provided a copy thereof is also delivered in person or by express courier. Such notices shall be given to the Company at its principal place of business and to a Member at such Member's address shown on Exhibit A hereto. Any Member or the Company may, at any time by giving five (5) days prior written notice to the other Members and the Company, designate any other address in substitution of the foregoing address to which such notice will be given.

11.9 Injunctive Relief. Each of the Members hereby acknowledges that in the event of a breach by a Member of any material provision of this Agreement, the other Members and the Company may be without an adequate remedy at law. Each Member therefore agrees that, in the event of such a breach or any threatened breach hereof, any Member or the Company may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin such breach. By seeking or obtaining any such relief, such person will not be precluded from seeking or obtaining any other relief to which it may be entitled.

11.10 Amendments. All amendments to this Agreement or the Certificate of Formation must be in writing and signed by the Contributing Members or as otherwise provided pursuant to Article 3.5(a).

11.11 Power of Attorney. The Members hereby irrevocably make, constitute, and appoint the Tax Matters Member as their true and lawful attorney-in-fact to sign, execute, acknowledge, file and record with respect to the Company all instruments and documentation as may be necessary or appropriate in connection with all tax matters.

11.12 Expenses. The Company will bear (a) the legal, tax and operating expenses of the Contributing Members in an amount not to exceed \$50,000 annually with respect to each Contributing Member; and (b) all reasonable legal fees incurred by the Members in connection with the preparation, negotiation, execution and performance of this Agreement, and (c) all itemized and reasonable legal, accounting and other third party expenses incurred by the Contributing Members in connection with the preparation, negotiation, execution and performance of the Contribution Agreement and the consummation of the transactions contemplated by the Contribution Agreement, including but not limited to, organizational and restructuring expenses, including fees, incurred by the Company or by a Contributing Member (or its Affiliate) in order to consummate the transactions contemplated by the Contribution Agreement (whether before or after the signing of this Agreement or the Contribution Agreement).

11.13 Title To Company Property. Legal title to all property of the Company will be held and conveyed in the name of the Company.

11.14 Waivers. The failure of any Member to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Members have duly executed this Amended and Restated Limited Liability Company Agreement on the Effective Date.

CROMPTON HOLDING CORPORATION

By: _____
Name:
Title:

BCCM HOLDINGS, INC.

By: _____
Name:
Title:

Name: Robert W. Ackley

Name: David J. Antoniuk

Name: Hassan A. Helmy

Name: James O. Murphy

Name: Ernest W. Plasse

Name: Mark A. Panozzo

Name: Charles E. Buckley

Exhibit A

Members

<u>Name and Address of Member</u>	<u>Percentage Interest</u>	<u>Common Membership Units</u>	<u>Capital Contributions</u>
BCCM Holdings, Inc. c/o Hamilton Robinson LLC 281 Tresser Boulevard Suite 1000 Stamford, CT 06901 Tel.: (203) 602-0011 Fax: (203) 602-2206			
Crompton Holding Corporation 199 Benson Road Middlebury, CT 06749			
Robert W. Ackley 599 Taugwonk Road Stonington, CT 06378 Tel.: (860) 599-6212 Fax: (860) 599-8743			
David J. Antoniuk 100 Partridge Run East Greenwich, RI 02818 Tel.: (860) 599-6360 Fax: (860) 599-8743			
Hassan A. Helmy 2006 Holland Brook West Branchburg, NJ 08876 Tel.: (908) 722-6000 Fax: (908) 725-3725			
James O. Murphy 25 Seabury Drive Westerly, RI 02891 Tel.: (860) 599-6286 Fax: (860) 599-8743			

<u>Name and Address of Member</u>	<u>Percentage Interest</u>	<u>Common Membership Units</u>	<u>Capital Contributions</u>
Ernest W. Plasse 14 Willow Street Mystic, CT 06355 Tel.: (860) 599-6180 Fax: (860) 599-8743			
Mark A. Panozzo 4561 Cone Wood Trail Manlius, NY 13104 Tel.: (315) 593-0328 Fax: (315) 593-0205			
Charles E. Buckley 75 Hamilton Drive East Greenwich, RI 02818-2108 Tel.: (401) 884-5162 Fax: (401) 398-0884			
[Other]			
Total	100%		

Schedule I

Management Members

Robert W. Ackley
David J. Antoniuk
Hassan A. Helmy
James O. Murphy
Ernest W. Plasse
Mark A. Panozzo
Charles E. Buckley
[Other]

Schedule II

Carry Holders - Carry Percentages

Robert W. Ackley	25.0%
David J. Antoniuk	12.5%
Hassan A. Helmy	12.5%
James O. Murphy	12.5%
Ernest W. Plasse	12.5%
Mark A. Panozzo	14.0%
Charles E. Buckley	2.25%

Unallocated Carry Percentage	<u>8.75%</u>
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100.0%

Schedule III

Management

TRADEMARK
REEL: 004619 FRAME: 0129

Exhibit F
Form of Assignment