

<div>Form 5500</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☒ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information	
1a	Name of plan BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN	1b Three-digit plan number (PN) ▶ 001
		1c Effective date of plan 10/01/1956
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) HEXION SPECIALTY CHEMICALS, INC. 180 EAST BROAD STREET, 29TH FLOOR COLUMBUS, OH 43215-3707	2b Employer Identification Number (EIN) 13-0511250 2c Sponsor's telephone number 877-888-7599 2d Business code (see instructions) 339900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	GEORGE KNIGHT
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	GEORGE KNIGHT
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") HEXION SPECIALTY CHEMICALS, INC. 180 EAST BROAD STREET, 29TH FLOOR COLUMBUS, OH 43215-3707	3b Administrator's EIN 13-0511250 3c Administrator's telephone number 877-888-7599
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	12817
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	289

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1C 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☒ 2 **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

<div><div>SCHEDULE A</div><div>(Form 5500)</div><div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. HEXION SPECIALTY CHEMICALS, INC.	D Employer Identification Number (EIN) 13-0511250	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier AXA EQUITABLE
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
13-5570651	62944	GAC 276	0	01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.
--

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	0
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶		
b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	
e	Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶		
f	If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐		
7	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
a	Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY		
b	Balance at the end of the previous year	7b	47177
c	Additions: (1) Contributions deposited during the year	7c(1)	
	(2) Dividends and credits	7c(2)	
	(3) Interest credited during the year	7c(3)	
	(4) Transferred from separate account	7c(4)	
	(5) Other (specify below)	7c(5)	
	(6) Total additions	7c(6)	0
d	Total of balance and additions (add b and c(6)).	7d	47177
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
	(2) Administration charge made by carrier	7e(2)	
	(3) Transferred to separate account	7e(3)	
	(4) Other (specify below)	7e(4)	47177
	▶ TRANSFERRED TO RESOLUTION PERFORMANCE PRODUCTS PENSION PLAN		
	(5) Total deductions	7e(5)	47177
f	Balance at the end of the current year (subtract e(5) from d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE A (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. HEXION SPECIALTY CHEMICALS, INC.	D Employer Identification Number (EIN) 13-0511250	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier JOHN HANCOCK FINANCIAL SERVICES
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
04-1414660	65099	GAC 4637	0	01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.
--

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 0**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY**b** Balance at the end of the previous year **7b** 104707**c** Additions: (1) Contributions deposited during the year **7c(1)**(2) Dividends and credits **7c(2)**(3) Interest credited during the year **7c(3)**(4) Transferred from separate account **7c(4)**(5) Other (specify below) **7c(5)**

▶

(6) Total additions **7c(6)** 0**d** Total of balance and additions (add **b** and **c(6)**). **7d** 104707**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)**(2) Administration charge made by carrier **7e(2)**(3) Transferred to separate account **7e(3)**(4) Other (specify below) **7e(4)** 104707

▶ TRANSFERRED TO RESOLUTION PERFORMANCE PRODUCTS PENSION PLAN

(5) Total deductions **7e(5)** 104707**f** Balance at the end of the current year (subtract **e(5)** from **d**) **7f** 0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>HEXION SPECIALTY CHEMICALS, INC.</u>	D Employer Identification Number (EIN) <u>13-0511250</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>124156013</u>
b	Actuarial value 2b <u>136571614</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>7797</u> <u>122907550</u>
b	For terminated vested participants 3b <u>3940</u> <u>30618515</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>1588698</u>
(2)	Vested benefits 3c(2) <u>25392493</u>
(3)	Total active 3c(3) <u>1083</u> <u>26981191</u>
d	Total 3d <u>12820</u> <u>180507256</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>8.30</u> %
6	Target normal cost 6 <u>4018208</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/07/2010</u>
Signature of actuary	Date
<u>DARREN FRENCH</u>	<u>08-04773</u>
Type or print name of actuary	Most recent enrollment number
<u>BUCK CONSULTANTS, INC.</u>	<u>201-902-2300</u>
Firm name	Telephone number (including area code)
<u>500 PLAZA DRIVE</u> <u>SECAUCUS, NJ 07096-1533</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of <u>-23.38</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>5.95</u> %		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance.....		0
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III Funding percentages		
14 Funding target attainment percentage.....	14	75.65 %
15 Adjusted funding target attainment percentage.....	15	75.65 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	85.48 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	1900152				
07/14/2009	1900152				
10/15/2009	1900152				
01/15/2010	1900160				
09/01/2010	5945000				
			Totals ►	18(b)	13545616
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	12402317
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	4018208
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	43935642	8383753
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	12401961
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	12401961
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	12402317
38 Interest-adjusted excess contributions for current year (see instructions).....	38	356
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<div>A</div> <div>Name of plan</div> <div>BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>HEXION SPECIALTY CHEMICALS, INC.</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>13-0511250</div>

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1

Information on Persons Receiving Only Eligible Indirect Compensation

a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

☒ Yes

☐ No

b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

THE BANK OF NEW YORK MELLON

13-5160382

(b)

Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

JACOB, HAXTON & BOORD, LLC

31-1215720

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	515801	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 62 63	NONE	244204	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

BLACKROCK

13-3806691

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	75315	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

ALLIANCE CAPITAL MANAGEMENT

36-6913091

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	116199	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

BUCK CONSULTANTS

13-3954297

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	113737	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

FRONTIER CAPITAL MANAGEMENT

04-3492668

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	89704	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

LSV ASSET MANAGEMENT

36-6843535

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	87218	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	108000	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

NWQ INVESTMENT MANAGER COMPANY

47-0875103

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	51366	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

CROWE HORWATH LLP

35-0921680

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	42700	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

FIDELITY INSTITUTIONAL OPERATIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	NONE	36904	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

SMART MONEY

13-3638991

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	NONE	26351	Yes ☐ No ☒	Yes ☐ No ☐	0	Yes ☐ No ☒

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 HEXION SPECIALTY CHEMICALS, INC.	D Employer Identification Number (EIN) 13-0511250	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: COLLECTIVE SHORT TERM INVESTMENT FU		
b Name of sponsor of entity listed in (a): THE BANK OF NEW YORK		
c EIN-PN 13-5160382-000	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: NORTHERN TRUST EQUITY INDEX FUND		
b Name of sponsor of entity listed in (a): NORTHERN TRUST		
c EIN-PN 36-1561860-000	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: ALLIANCE BERNSTEIN INTERNATIONAL		
b Name of sponsor of entity listed in (a): ALLIANCE BERNSTEIN		
c EIN-PN 36-6913091-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEXION SPECIALTY CHEMICALS, INC.</u>	D Employer Identification Number (EIN) <u>13-0511250</u>	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1350490	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	1371054	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	168646	0
(2) U.S. Government securities.....	1c(2)	747801	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	52157848	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	74500	0
(B) Common	1c(4)(B)	29980107	0
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	28673235	0
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	9112985	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	151884	
(15) Other	1c(15)	806219	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	124594769	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	130206	0
i Acquisition indebtedness	1i		
j Other liabilities	1j	309776	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	439982	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	124154787	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	13545608	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		13545608

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	101990	
(B) U.S. Government securities	2b(1)(B)	129385	
(C) Corporate debt instruments	2b(1)(C)	2859851	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	34308	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3125534

(2) Dividends: (A) Preferred stock	2b(2)(A)	974	
(B) Common stock	2b(2)(B)	748417	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		749391

(3) Rents	2b(3)		
-----------------	-------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	89752506	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	93989411	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-4236905

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	19683157	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		19683157
(6) Net investment gain (loss) from common/collective trusts	2b(6)		8125178
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		4843823
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		45835786

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	19806161	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		19806161
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	1568084	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	928747	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2496831
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		22302992

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		23532794
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		147687581

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CROWE HORWATH LLP

(2) EIN: 35-0921680

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☒ Yes ☐ No Amount: 0

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
RESOLUTION PERFORMANCE PRODUCTS PENSION PLAN	76-0607613	001

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HEXION SPECIALTY CHEMICALS, INC.</u>	D Employer Identification Number (EIN) <u>13-0511250</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-5160382</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>257</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 25% Investment-Grade Debt: 43% High-Yield Debt: 0% Real Estate: 0% Other: 32%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☒ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☒ Other (specify): WEIGHTED AVERAGE

BORDEN CHEMICAL, INC.
EMPLOYEES RETIREMENT INCOME PLAN

FINANCIAL STATEMENTS
December 31, 2009 and 2008

BORDEN CHEMICAL, INC.
EMPLOYEES RETIREMENT INCOME PLAN
Columbus, Ohio

FINANCIAL STATEMENTS
December 31, 2009 and 2008

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Crowe Horwath LLP
Independent Member Crowe Horwath International

REPORT OF INDEPENDENT AUDITORS

Plan Administrator
Borden Chemical, Inc.
Employees Retirement Income Plan
Columbus, Ohio

We were engaged to audit the financial statements and supplemental schedule of the Borden Chemical, Inc. Employees Retirement Income Plan (the "Plan") as of December 31, 2009 and 2008 and for the year ended December 31, 2009, as listed in the accompanying contents page. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2009 and 2008 and for the year ended December 31, 2009 that the information provided to the plan administrator by the trustee is complete and accurate.

As described in Note 1, the Plan merged into the Resolution Performance Products, LLC Pension Plan effective December 31, 2009.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Crowe Horwath LLP
Crowe Horwath LLP

Columbus, Ohio
October 11, 2010

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Investments (Note 5)		
At fair value based on quoted market prices		
Common stocks	\$ -	\$ 29,980,107
Preferred stock	-	74,500
Mutual fund	-	9,112,985
Real estate investment trusts	-	806,219
At estimated fair value		
Collective trusts	-	28,673,235
Bonds	-	52,157,848
U.S. Government Securities	-	747,801
Guaranteed investment contracts	-	151,884
Certificates of deposit	-	168,646
Total investments	<u>-</u>	<u>121,873,225</u>
Receivables		
Amounts receivable on unsettled security transactions	-	348,117
Employer contribution	7,845,152	1,350,490
Accrued income receivable	-	1,022,937
Total receivables	<u>7,845,152</u>	<u>2,721,544</u>
Total assets	<u>7,845,152</u>	<u>124,594,769</u>
 LIABILITIES		
Amounts payable on unsettled security transactions	-	309,776
Due to Resolution Performance Products Pension Plan (Note 1)	7,668,734	-
Administrative fees payable	<u>176,418</u>	<u>130,206</u>
Total liabilities	<u>7,845,152</u>	<u>439,982</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$ -</u>	 <u>\$ 124,154,787</u>

See accompanying notes to financial statements.

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year ended December 31, 2009

Additions to net assets attributed to:

Investment income (Note 5)	
Net appreciation in fair value of investments	\$ 28,415,252
Interest and dividend income	<u>3,874,926</u>
Total investment income	32,290,178
 Employer contributions	 <u>13,545,608</u>
 Total additions	 <u>45,835,786</u>

Deductions from net assets attributed to:

Pension payments	17,729,609
Lump sum payments	2,076,552
PBGC premiums	928,747
Administrative fees	<u>1,568,084</u>
Total deductions	<u>22,302,992</u>

Net increase prior to Plan transfer 23,532,794

Plan transfer (Note 1) (147,687,581)

Net decrease (124,154,787)

Net assets available for benefits:

Beginning of year	<u>124,154,787</u>
 End of year	 <u>\$ -</u>

See accompanying notes to financial statements.

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 – DESCRIPTION OF THE PLAN

The following description of the Borden Chemical, Inc. Employees Retirement Income Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for more complete information.

General: The Plan is a defined benefit plan covering substantially all employees of the former Borden Chemical, Inc. and affiliates of domestic operations. On May 31, 2005, Borden Chemical, Inc., Resolution Performance Products LLC, and Resolution Specialty Materials LLC merged, into Hexion Specialty Chemicals, Inc. (the “Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Contributions: The Plan was established in 1956 and is administered by the Pension Committee appointed by the Board of Directors of the Company. Beginning on January 1, 1985, employees were no longer permitted to make contributions to the Plan. Company contributions are designed to fund the Plan’s current service cost on a current basis and to fund the unfunded prior service cost or amortize the overfunded prior service cost over thirty years. Contributions of \$13,545,608 were made by the Company for 2009 in compliance with minimum funding requirements of ERISA.

Eligibility: Employees hired after January 1, 1990 must complete one year of service before becoming a participant in the Plan. The Plan was amended effective April 30, 2009 to freeze participation for salaried employees and non-bargaining hourly employees. Effective January 31, 2010, participation was frozen for collectively bargained employees at the Demopolis, Alabama location.

Vesting: All employees hired on or after July 1, 1990 become 100% vested after completing five years of service with no partial vesting prior to that time. All employees with an hour of service after December 31, 2007 become 100% vested after completing three years of service with no partial vesting prior to that time.

Benefits: The Plan is a cash balance program for all non-bargaining employees (see Note 4). Salaried employees earn benefit credits of 3% of pay up to the social security wage base plus 6% of pay in excess of the social security wage base. Effective June 30, 2009, the Plan was amended to freeze benefit credits for salaried employees and hourly non-bargaining employees. Bargaining employees earn an accrued benefit based on the requirements of the individual union contracts. As of January 31, 2010, benefit credits were frozen for collectively bargained employees at the Demopolis, Alabama location.

Payment of Retirement Benefits: Unless a participant elects in writing to receive an alternative form of payment, benefits are payable in the form of the qualified joint and survivor annuity for married participants and a life-only annuity for unmarried participants. As of January 1, 2009, the Plan’s adjusted funding attainment percentage (“AFTAP”) was below 80%. As a result of the AFTAP being less than 80%, there were limitations on participants’ ability to take a lump sum distribution during 2009.

Plan Merger: Effective December 31, 2009, the Plan was merged into the Resolution Performance Products, LLC Pension Plan (“RPP Plan”), and the legal title of all Plan assets and the Plan obligations were transferred to the RPP Plan.

Plan Termination: Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA and its related regulations. As noted above, the Plan was merged into the RPP Plan. The Company has not expressed an intent to terminate the RPP Plan. In the event the Plan terminates, the net assets of the Plan will be allocated among the participants and beneficiaries of the Plan in the order provided by ERISA.

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 1 – DESCRIPTION OF THE PLAN (Continued)

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

Whether all participants receive their benefits, should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain report amounts and disclosures, and actual results may differ from those estimates. It is at least reasonably possible that a significant change may occur in the near term for the estimates of the actuarial present value of accumulated plan benefits.

Risk and Uncertainties: The Plan invests in a combination of mutual funds, stocks, money market funds, collective trusts, bonds, government securities, and other investment securities. The underlying investment securities are exposed to various risks, such as interest rate, market, liquidity, and credit risks. Due to the level of risk associated with certain investment securities and the sensitivity of certain fair value estimates to changes in valuation assumptions, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in these financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimates and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the statement of net assets available for benefits and statement of changes in net assets available for benefits.

Valuation of Other Financial Instruments: The carrying values of the Plan's cash and its receivables and liabilities as of December 31, 2009 and 2008 approximate fair value.

Benefit Payments: Benefits are recorded when paid.

Investment Valuation and Income Recognition: The Plan's investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value is defined as the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair values of investments apply to investments held directly by the Plan.

Mutual Funds, Common Stocks, Preferred Stocks, and Real Estate Investment Trusts: The fair values of mutual fund, common stock, preferred stock and real estate investment trust investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

Bonds and U.S. Government Securities: Certain bonds and government securities are valued based upon recent bid prices or the average of recent bid and asked prices when available (level 2 inputs) and, if not available, they are valued through matrix pricing models developed by sources considered by management to be reliable. Matrix pricing, which is a mathematical technique commonly used to price debt securities that are not actively traded, values debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on the securities' relationship to other benchmark quoted securities (level 2 inputs). In certain instances, there may be no observable inputs as the securities are in default or they are in bank assets with no industry identifiers (level 3 inputs).

Guaranteed Investment Contracts: The fair values of guaranteed investment contracts have been estimated based on a discounted cash flow methodology, utilizing current rates of return available for similar contracts, with comparable credit risks and liquidity, as of the respective financial statement dates (level 3 inputs).

Collective Trusts: Fair values of shares of collective trusts are based upon the net asset values of the funds reported by the fund managers as of the Plan's financial statement dates and recent transaction prices (level 2 inputs). The investment objectives and underlying investments of the collective trusts vary, with one holding short-term money market securities, one holding a diversified portfolio of equity securities of established companies from more than 40 industries and more than 40 developed and emerging companies, and one holding companies that make up the S&P 500 Index. The Fund which invests in money market securities does not permit requests for cash redemptions when the Plan desires to exit the fund. The other collective trusts provide for daily redemptions by the Plan at reported net asset values per share, with no advance notice requirement.

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certificates of Deposit: Fair values of certificates of deposits have been determined to approximate their net asset values (level 2 inputs), with no discounts for credit quality or liquidity restrictions.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The table below presents a reconciliation of all investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2009, including the reporting classifications for the applicable gains and losses included in the statement of changes in net assets available for benefits. None of the level 3 investments were held as of the end of year. The amounts presented below on the Purchases, sales, issuances and settlements (net) line represent the transfer of these investments at fair value from this Plan to the RPP Plan as part of the merger (Note 1).

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Corporate Bonds	Guaranteed Investment Contracts	Total
Balance, January 1, 2009	\$ 422,532	\$ 151,884	\$ 574,416
Included in change in net assets available for benefits:			
Net realized and unrealized depreciation	5,184	-	5,184
Purchases, sales, issuances and settlements (net)	(427,716)	(151,884)	(579,600)
Transfers In/Out	-	-	-
Balance, December 31, 2009	\$ -	\$ -	\$ -

Investments measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at December 31, 2008 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:			
Common Stocks	\$ 29,980,107	\$ -	\$ -
Real Estate Investment Trusts	806,219	-	-
Preferred Stock	74,500	-	-
Mutual Funds	9,112,985	-	-
Certificates of Deposit	-	168,646	-
US Government Securities	-	747,801	-
Bonds	-	51,735,316	422,532
Collective Trusts	-	28,673,235	-
Guaranteed Investment Contracts	-	-	151,884

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 3 – ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are the present value of those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service which employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, (c) present employees of their beneficiaries, and (d) the first \$5,000 in employee postretirement death benefits for pre-July 1, 1985, retirees. The actuarial present value of accumulated plan benefits is determined by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

For actuarial valuation purposes, the trust fund investments are valued at fair value. The significant actuarial assumptions used in the valuations as of December 31, 2009 and 2008 were as follows for active participants: (a) During 2009, the RP 2000 Projected to 2018 mortality table was used and during 2008, the RP 2000 Projected to 2009 mortality table was used, (b) retirement age assumptions, ages 55 to 70, which vary by age and employment category, and (c) rate of investment returns was assumed at 7.5%. The change in Plan provisions line relates to maximum compensation and maximum benefits being updated from 2008 to 2009, and the plan amendments freezing participation and benefit credits for selected participants.

The following present information regarding the Plan's actuarial present value of accumulated plan benefits at December 31, 2009 and 2008 and changes in the actuarial present value of accumulated plan benefits for the year ended December 31, 2009.

	<u>2009</u>	<u>2008</u>
Vested benefits:		
Retired participants and beneficiaries receiving payments	\$ -	\$ 124,611,404
Other participants	<u>-</u>	<u>62,873,822</u>
Total	-	187,485,226
Non-vested benefits	<u>-</u>	<u>1,718,649</u>
Total actuarial present value of accumulated plan benefits	<u>\$ -</u>	<u>\$ 189,203,875</u>
Actuarial present value of accumulated plan benefits at beginning of year	\$ 189,203,875	
Increase (decrease) during the year attributable to:		
Change in assumptions	2,450,635	
Change in Plan provisions	(248,109)	
Benefits accumulated and (gains) losses	(1,184,966)	
Interest attributable to the decrease in the discount period	13,447,560	
Benefits paid	(19,806,161)	
Plan transfer (Note 1)	<u>(183,862,834)</u>	
Net decrease	<u>(189,203,875)</u>	
Actuarial present value of accumulated plan benefits at end of year	<u>\$ -</u>	

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 3 – ACCUMULATED PLAN BENEFITS (Continued)

The increase due to change in assumptions is due to the change in the mortality tables and updates to the assumed benefit commencement age, retirement and disability rates to better reflect anticipated experience.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

NOTE 4 – TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated June 11, 2010, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 5 – INVESTMENTS – UNAUDITED INFORMATION

The Bank of New York Mellon, the trustee of the Plan, holds investment assets and executes transactions therein, and substantially all information pertaining to investments included in the financial statement has been certified by them. This information has not been audited by independent accountants.

The following table presents the fair value of investments as of December 31, 2009 and 2008. Investments that represent 5% or more of the net assets available for benefits are separately identified:

	<u>2009</u>	<u>2008</u>
At fair value based on quoted market price:		
Common Stocks	\$ -	\$ 29,980,107
Preferred Stock	-	74,500
Real Estate Investment Trusts	-	806,219
Mutual Fund:		
T. Rowe Price Institutional Large Cap	-	9,112,985
	<u>\$ -</u>	<u>\$ 39,973,811</u>
At estimated fair value:		
Collective Trusts:		
Northern Trust Equity Index Fund	\$ -	\$ 9,063,325
Collective Short Term Investment Fund	-	7,217,234
Alliance Bernstein International Value	-	12,392,676
Bonds:		
Corporate	-	49,630,785
Other bonds	-	2,527,063
Certificates of Deposit	-	168,646
Guaranteed Investment Contracts	-	151,884
Government obligations	-	747,801
	<u>\$ -</u>	<u>\$ 81,899,414</u>

(Continued)

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009 and 2008

NOTE 5 – INVESTMENTS – UNAUDITED INFORMATION (Continued)

During 2009, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated/ (depreciated) in value as follows:

	Year ended <u>December 31, 2009</u>
Net appreciation in quoted market prices of investments:	
Common Stocks	\$ 11,601,814
Preferred Stocks	(11,520)
Mutual Fund	4,843,823
Real Estate	311,008
Net appreciation/(depreciation) in estimated fair value of investments:	
Corporate Bonds	3,471,148
Collective Funds	8,125,178
U.S. Government Securities	52,087
Other	<u>21,714</u>
Net appreciation in fair value of investments	<u>\$ 28,415,252</u>

During 2009, the assets of the Plan earned interest and dividend income of \$3,874,926.

NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. At December 31, 2008, the Plan held \$7,217,234 in a collective trust managed by The Bank of New York Mellon. The Plan paid \$1,568,084 of expenses related to administrative and other fees to parties-in-interest during the year ended December 31, 2009.

NOTE 7 – SUBSEQUENT EVENTS

Plan management has evaluated subsequent events for recognition and disclosure through October 11, 2010, which is the date the financial statements were available to be issued.

Effective October 1, 2010, Hexion LLC, the parent company of Hexion Specialty Chemicals, Inc., merged with Momentive Performance Materials Holdings Inc. ("Momentive"). The merged company will operate under the Momentive name.

SUPPLEMENTAL SCHEDULE

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
SCHEDULE H, LINE 4j SCHEDULE OF REPORTABLE TRANSACTIONS
Year ended December 31, 2009

Name of plan sponsor: Hexion Specialty Chemicals, Inc.
Employer Identification Number: 13-0511250
Plan Number: 001

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate & Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Current Cost of Asset	(h) Value of Asset on Transaction Date	(i) Net Gain or (Loss)
U.S. Treasury Bonds	United States Treasury Bond at 4.25%, due 05/15/39	\$ 8,806,552	\$ 8,884,917	\$ -	-	\$ 8,806,552	\$ 8,806,552	\$ -
Bank of New York	Collective Short-Term Investment Fund	38,141,886	31,212,940	-	-	38,141,886	31,212,940	-
						8,806,552	8,884,917	78,365

Category (iii): A series of transactions with the same security in excess of 5% of the current value of Plan assets:

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009**This Form is Open to Public
Inspection**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Borden Chemical, Inc. Employees Retirement Income Plan	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Hexion Specialty Chemicals, Inc.	D Employer Identification Number (EIN) 13-0511250
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>		
2 Assets:		
a Market value	2a	124,156,013
b Actuarial value	2b	136,571,614
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 7,797	122,907,550
b For terminated vested participants	3b 3,940	30,618,515
c For active participants:		
(1) Non-vested benefits	3c(1)	1,588,698
(2) Vested benefits	3c(2)	25,392,493
(3) Total active	3c(3) 1,083	26,981,191
d Total	3d 12,820	180,507,256
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐		
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	8.30 %
6 Target normal cost	6	4,018,208

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

DARREN FRENCH

Type or print name of actuary

Buck Consultants, LLC

Firm name

500 Plaza Drive

Secaucus

NJ 07096-1533

Address of the firm

10/7/2010

Date

08-04773

Most recent enrollment number

(201) 902-2300

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II		Beginning of year carryover and prefunding balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	0	0
10	Interest on item 9 using prior year's actual return of <u>(26.38)</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of <u>5.95</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III		Funding percentages	
14	Funding target attainment percentage	14	75.65 %
15	Adjusted funding target attainment percentage	15	75.65 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	85.48 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and liquidity shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	1,900,152				
07/14/2009	1,900,152				
10/15/2009	1,900,152				
01/15/2010	1,900,160				
09/15/2010	5,945,000				
			Totals ☒	18(b)	13,545,616
				18(c)	0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 12,402,317
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment %	2nd segment %	3rd segment %	☒ N/A, full yield curve used
b Applicable month (enter code).....				21b
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	4,018,208
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment.....	43,935,642	8,383,753
b Waiver amortization installment.....	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.....	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....	34	12,401,961
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement.....	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	12,401,961
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	12,402,317
38 Interest-adjusted excess contributions for current year (see instructions).....	38	356
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

SCHEDULE SB NOTES FOR 2009 PLAN YEAR

In preparing this Schedule SB, the actuary relied on other parties for--and applied reasonability tests to--
information on assets, contributions, plan provisions, and data on people covered by the Plan.

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, line 22 – Description of Weighted Average Retirement Age

The average age is based on the retirement rates described in the attached actuarial methods and assumptions employed in the 2009 actuarial valuation. This is determined for employees who have not yet attained the earliest retirement age of 55, is unweighted (i.e., unrelated to benefit or cost amounts) and ignores pre-retirement decrements and is unaffected by expected disability retirements.

Applying this methodology to the employees of the Plan would result in an average retirement age of 61.8 for salaried employees and 62.8 for hourly employees.

Salaried Retirement Average Age Calculation

Attained Age	Rate of Retirement	Probability of Retirement	Age-Weighted Probability of Retirement*
55	8.0%	8.0000%	4.40
56	8.0%	7.3600%	4.20
57	8.0%	6.7712%	3.90
58	8.0%	6.2295%	3.60
59	8.0%	5.7311%	3.40
60	8.0%	5.2727%	3.20
61	10.3%	6.2455%	3.80
62	16.1%	8.7568%	5.50
63	21.5%	9.8111%	6.20
64	37.2%	13.3258%	8.60
65	40.0%	8.9985%	5.90
66	40.0%	5.3991%	3.60
67	40.0%	3.2395%	2.20
68	40.0%	1.9437%	1.30
69	40.0%	1.1662%	0.80
70	100.0%	<u>1.7493%</u>	<u>1.20</u>
		100.0000%	61.80

* Based on average age during year

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, line 22 – Description of Weighted Average Retirement Age (continued)

Hourly Retirement Average Age Calculation

Attained Age	Rate of Retirement	Probability of Retirement	Age-Weighted Probability of Retirement*
55	1.0%	1.0000%	0.60
56	1.3%	1.2870%	0.70
57	1.8%	1.7588%	1.00
58	2.5%	2.3989%	1.40
59	3.6%	3.3680%	2.00
60	5.2%	4.6897%	2.80
61	13.5%	11.5422%	7.10
62	35.5%	26.2542%	16.40
63	21.5%	10.2558%	6.50
64	60.2%	22.5422%	14.50
65	80.0%	11.9226%	7.80
66	50.0%	1.4903%	1.00
67	50.0%	0.7452%	0.50
68	50.0%	0.3726%	0.30
69	50.0%	0.1863%	0.10
70	100.0%	<u>0.1863%</u>	<u>0.10</u>
		100.0000%	62.80

* Based on average age during year

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Funding discount rates

Current Year:

PPA Yield Curve based on yields for October, 2008

<u>Maturity</u>	<u>Yield</u>
0	5.45%
5	8.25%
10	8.87%
15	8.65%
20	8.11%
25	7.71%
30	7.46%
35	7.29%
40	7.17%
45	7.07%
50	6.99%

Effective Interest Rate 8.30%

Prior Year:

First Segment Rate 5.31%
Second Segment Rate 5.92%
Third Segment Rate 6.43%
Effective Interest Rate 5.95%

Mortality

The RP-2000 Mortality Table with projections specified by IRS Reg. Section 1-430(h)(3)-1, with separate annuitant and non-annuitant static mortality tables.

Actuarial cost method

For minimum required and maximum contribution purposes:

The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, including the effect of expected compensation increases during the year. Beginning in 2009, the Target Normal Cost includes estimated plan related expenses to be paid from plan assets during the year (i.e. \$1,928,747 for 2009).

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Expected Earnings Rates on Assets (for Valuation Assets)

The expected return on plan assets is 8.0% per annum, limited by PPA to the applicable Third Segment Rate as follows:

2008 measurement period:	6.43%
2007 measurement period:	6.09%

Rate of Inflation

The assumptions described below are selected assuming the economy would experience an average annual long-term rate of inflation of 4.25%.

Interest Credit Percentage

The future credit percentage was assumed to be 5.00% per annum

Benefit Conversion Rate

The applicable interest rate used to convert annual "Grandfathered" benefits to a lump sum amount is assumed to be 7.0%.

Salary increase assumption

Wages and salaries were assumed to increase (2009 over 2008 only) for salaried employees by the sum of (a) 4.75% per annum plus (b) the following scale of merit and promotional increases:

During First 5 Years of Service		<u>Thereafter</u>	
<u>Years of Service</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
0	1.0%	25	1.5%
1	1.0%	30	1.0%
2	1.0%	35	0.7%
3	1.0%	40	0.4%
4	1.0%	45	0.1%
		50 and later	0.0%

Social Security

The maximum Social Security wage bases were assumed to increase after 2009 (from \$102,000) based on the underlying National Average Wages increasing at a rate of 4.25% per annum.

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Cost-of-living

Current and Future Years: 3.00%
 Prior Year: 3.00%

Disability rates

Age	Salaried	Hourly
20	0.09%	0.11%
25	0.10%	0.12%
30	0.11%	0.13%
35	0.14%	0.17%
40	0.22%	0.26%
45	0.36%	0.44%
50	0.62%	0.77%
55	1.10%	1.35%
60	1.72%	2.12%
64	2.29%	2.82%

Marital percentage

87.5% of eligible males and 75% of eligible females are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

Retirement rates

It is assumed that normal and early retirements will occur in accordance with the following rates:

Age	Salaried	Hourly
55	8.0%	1.0%
56	8.0%	1.3%
57	8.0%	1.8%
58	8.0%	2.5%
59	8.0%	3.6%
60	8.0%	5.2%
61	10.3%	13.5%
62	16.1%	35.5%
63	21.5%	21.5%
64	37.2%	60.2%
65	40.0%	80.0%
66	40.0%	50.0%
67	40.0%	50.0%
68	40.0%	50.0%
69	40.0%	50.0%
70	100.0%	100.0%

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Withdrawal rates⁽¹⁾

Rates of termination of employment based on 1985-1989 experience of Borden, Inc. were assumed. Such rates vary by class and length of employment during the first five years of employment and by class and attained age thereafter. A sample of rates, showing the percentage of participants assumed to terminate in the next year, is as follows:

Years of Employment	During First 5 Years of Employment	
	Salaried	Hourly
0	18.1%	28.3%
1	15.3%	20.7%
2	13.4%	15.7%
3	11.4%	11.1%
4	9.4%	7.0%

Years of Employment	After 5 Years of Employment	
	Salaried	Hourly
25	15.6%	9.3%
30	10.6%	7.4%
35	7.6%	6.1%
40	5.9%	5.3%
45	4.6%	4.8%
50	3.7%	4.5%
55	0.0%	0.0%

⁽¹⁾ For active participants not eligible for retirement.

Optional Forms of Payment

All Salaried plan participants and Non Bargaining Hourly plan participants are assumed to elect a lump sum. All Bargaining Hourly participants are assumed to elect a single life annuity.

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Asset valuation method

For minimum required and maximum contribution purposes:

The Valuation Assets are determined using a method that spreads asset gains/(losses) over 2 years, where 1 year was used in the prior year. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. Accrued contributions, if any, are included in the Valuation Assets.

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Summary of Plan Provisions

Eligibility

A regular full-time employee or part-time employee employed at a rate of 1,000 hours or more per year, who is not covered by a different retirement plan to which the Company contributes is eligible to participate after completing one year of employment provided he is not in a recognized collective bargaining unit which has not negotiated the Plan.

Service and Credited Service

Service is all employment with the Company, based on one year of Service for each calendar year of 1,000 or more hours of employment. Effective July 1, 1990, with the exception of Bargaining Hourly Employees, Service will be determined on an elapsed time basis. Credited Service is Service, with adjustments for year of hire and year of termination, and with exceptions for certain acquisitions.

Contributions

(a) Participant contributions - Effective January 1, 1989 contributions by participants are not permitted under any circumstances.

(b) Company contributions - The Company contributes all costs over and above those paid by the employee.

Cash Accounts (Salaried employees)

(a) Initial account: An account is maintained for each participant, to which monthly credits are made. In the case of an employee who participated in the plan immediately prior to January 1, 1987, the initial account as of January 1, 1987 was determined as follows: The participant's accrued benefit as of December 31, 1986 under the Plan as in effect on such date was converted to its equivalent lump sum value at age 65 based on 8% interest and mortality in accordance with the Unisex Pension 1984 mortality table. Such lump sum equivalent of the accrued benefit was then discounted from age 65 to January 1, 1987 at 8% interest.

(b) Pay Based Credits to Accounts: For each month period on and after January 1, 1987, each employee's Account will be credited with an amount equal to three percent (3%) of his compensation for that month to the extent that this amount does not exceed one-twelfth of the Social Security wage base, plus six percent (6%) of that portion of the balance of his compensation for the payroll period.

(c) Supplemental Pay-Based Credits to Accounts: For employees at least age 40 with at least 5 years of service at January 1, 1987, supplemental pay-based credits will begin at age 50, or January 1, 1987 if the employee is at least age 50 on that date. The supplemental credit is an amount equal to one and one half percent (1.5%) of his compensation for that month to the extent that this amount does not exceed one-twelfth of the Social Security wage base, plus three percent (3%) of that portion of the balance of his compensation for the payroll period. These credits ceased December 31, 1996.

(d) Minimum Credits to Accounts: The minimum monthly credit is \$25.

(e) Interest Credits to Accounts: As of the last day of each month prior to benefit commencement date, the account of each participant shall be increased by the monthly "interest credit percentage" for the applicable calendar year multiplied by the account as of the beginning of the month.

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, Part V – Summary of Plan Provisions (continued)

Cash Accounts (Non Bargaining Hourly employees)

(a) Initial account: An account is maintained for each participant, to which monthly credits are made. In the case of an employee who participated in the plan immediately prior to January 1, 1988, the initial account as of January 1, 1988 was determined as follows: The participant's accrued benefit as of December 31, 1987 under the Plan as in effect on such date was converted to its equivalent lump sum value at age 65 based on 6% interest and mortality in accordance with the Unisex Pension 1984 mortality table. Such lump sum equivalent of the accrued benefit was then discounted from age 65 to January 1, 1988 at 6% interest.

(b) Credits to Accounts: For each month period on and after January 1, 1988, each employee's account will be credited with \$25. Employees of locations 009, 148 and 206, accounts will be credited with \$40.

(c) Supplemental Pay-Based Credits to Accounts: For employees at least age 57 with at least 10 years of service at January 1, 1988, supplemental pay-based credits will begin at age 60, or January 1, 1988 if the employee is at least age 60 on that date. The supplemental credit is an amount equal to \$50. These credits ceased December 31, 1990.

(d) Interest Credits to Accounts: As of the last day of each month prior to benefit commencement date, the account of each participant shall be increased by the monthly "interest credit percentage" for the applicable calendar year multiplied by the account as of the beginning of the month.

Retirement

(a) Normal retirement - A participant's normal retirement date is the first of the month following age 65.

(b) Early retirement - A participant who has attained age 55 may retire at any time prior to normal retirement date (and after completion of 10 years of Service for non-contributory benefits).

(c) Disability retirement - A participant who becomes totally and permanently disabled, and entitled to benefits under the Company's Group Long Term Disability Insurance Plan, is treated as if he had continued in active service at his last annual pay rate.

(d) Later retirement - A participant may continue in active employment after his normal retirement date.

Amount of retirement income payable to a Salaried participant

(a) Non-contributory benefits - The amount of retirement income available to an employee who retires on his normal retirement date, early retirement date or later retirement date shall equal the balance in his account as of such date, determined as described above.

(b) Contributory benefits - The annual amount of contributory pension payable at normal retirement date is 20% of non-withdrawn employee contributions.

(c) "Grandfathered" Salaried employees - The non-contributory benefit payable to salaried employees who attained age 50 with at least 5 years of service on January 1, 1987 will be either their account balance or the benefits described below, whichever has a larger actuarial value.

Borden Chemical, Inc. Employees Retirement Income Plan
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Schedule SB, Part V – Summary of Plan Provisions (continued)

The annual amount of non-contributory pension payable at normal retirement date is the sum of (i) 1-1/2% of average compensation in the five highest consecutive years in the ten years preceding the earlier of January 1, 1988 or retirement which is in excess of the employee's estimated Social Security benefit, multiplied by Credited Service prior to January 1, 1988, plus (ii) for each year of Credited Service after 1987 and before 1997, 1% of that year's compensation not in excess of that year's Social Security Taxable Wage Base plus 1-1/2% of any excess compensation. There is a minimum benefit of \$120 (\$72 for Puerto Rico operations) per year of Credited Service prior to 1997. This benefit is reduced by any Other Retirement Plan or Prior Plan benefits attributable to a corresponding period of service.

Early retirement - The annual amount of pension "grandfather" payable at early retirement date is reduced by 1/6% for each of the first 36 months, 1/3% for each of the next 24 months and 1/2% for each month in excess of 60 by which early commencement date precedes normal retirement date.

(d) Minimum - The minimum benefit payable to a participant under the Plan after the January 1, 1987 amendments is the benefit accrued as of December 31, 1986.

Amount of retirement income payable to a Non-bargaining Hourly Participant

(a) Non-contributory benefits - The amount of retirement income available to an employee who retires on his normal retirement date, early retirement date or later retirement date shall equal the balance in his account as of such date, determined as described above.

(b) Contributory benefits - The annual amount of contributory pension payable at normal retirement date is the sum of (i) a past service benefit of 1% of excess earnings in the first two years of Borden service (for participants in the Plan on October 1, 1956, the average is taken over the years 1953 - 1955) over the Social Security taxable wage base, multiplied by past service excluding the first two years, less any annuities in force which were purchased prior to October 1, 1956, plus (ii) 40% of non-withdrawn employee contributions.

(c) Minimum - The minimum benefit payable to a participant under the Plan after the January 1, 1988 amendments is the benefit accrued as of December 31, 1987. (The minimum benefit is reflected in the actuarial valuation for each participant at retirement or termination date.)

Amount of retirement income payable to a Bargaining Hourly Participant

(a) Normal retirement -

Non-contributory benefits:

The annual amount of non-contributory pension payable at normal retirement date is a "Benefit Multiplier", multiplied by all Credited Service. Such Benefit Multipliers currently range from \$84 to \$264 for Bargaining participants as negotiated.

The Bargaining groups with Benefit Multipliers, reflected in this report, are shown on page

Contributory benefits:

The annual amount of contributory pension payable at normal retirement date is the sum of (i) a past service benefit of 1% of excess earnings in the first two years of Borden service (for participants in the Plan on October 1, 1956, the average is taken over the years 1953 - 1955) over the Social Security taxable wage base, multiplied by past service excluding the first two years, less any annuities in force which were purchased prior to October 1, 1956, plus (ii) 40% of non-withdrawn employee contributions.

Borden Chemical, Inc. Employees Retirement Income Plan
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Schedule SB, Part V – Summary of Plan Provisions (continued)

(b) Early retirement - The annual amount of pension payable at early retirement date is the pension accrued under (a) above, reduced by 1/2% for each month of early commencement, except for participants at location 282, where the reduction is 1/4 %.

(c) Disability retirement - A participant who becomes totally and permanently disabled, and entitled to benefits under the Company's Group Long Disability Insurance Plan, is treated as if he had continued in active service at his last annual pay rate.

(d) Later retirement - The annual amount of pension payable at a later retirement date is based upon Credited Service and Employee Contributions as of such later retirement date.

Termination of employment

(a) Salaried and Non-bargaining Hourly employees - Employees first employed by Borden after June 30, 1990 will have five year cliff vesting if they have no hours of service after 2007; otherwise three year vesting applies. An employee first employed by Borden prior to June 30, 1990 is 25% vested in the account attributable to pay-based credits after 2 years of Service, grading by 25% per year to 100% after 5 years of Service.

A participant whose employment terminates other than for retirement after he has become at least partially vested shall be entitled to receive his vested Account Balance upon termination, except as follows. Employees of Wise shall be entitled to receive up to \$10,000 of their vested Account Balance upon termination. The balance may be received upon attainment of retirement eligibility.

(b) Bargaining Hourly employees - Upon termination prior to retirement but after 5 years of Service, an annual pension is payable to the employee commencing at normal retirement date equal to the accrued pension. A reduced amount can be paid as early as age 55.

- An Hourly participant may withdraw his contributions at any time. In such case, such participant forfeits the right to the 1972 minimum benefit.

Death Benefits

Each contributor is guaranteed that the sum of the contributory pension payments made on his behalf will be at least equal to his own non-withdrawn contributions with interest to the earlier of date of death or benefit commencement. Upon death before or after retirement, the excess of employee contributions with interest over contributory pension benefits received is payable unless benefits are to be continued to a survivor annuitant.

For retired participants as of July 1, 1984, the first \$5,000 of post-retirement death benefit will be paid from the plan.

Salaried and Non-bargaining Hourly employees:

Account Balance - A participant who dies shall be entitled to have his Account Balance paid to his beneficiary.

All employees:

Upon retirement, married employees are covered by an automatic 50% survivor option, unless they elect otherwise, with the employee's benefit reduced 10% to reflect this coverage.

Borden Chemical, Inc. Employees Retirement Income Plan
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Schedule SB, Part V – Summary of Plan Provisions (continued)

Optional forms of pension

Any optional form of pension of an (approximate) actuarial equivalent value is permitted provided such pension does not extend beyond the lifetime of the employee or his spouse.

Basis for optional form conversion factors

Calculated using the IRC Section 417(e) assumptions and the Plan's applicable look-back period.

Discontinuance provisions

Upon termination of the Plan or complete discontinuance of Employer contributions, the funds of the Plan are allocated for the benefit of each employee, beneficiary and joint or survivor annuitant, if any, in accordance with applicable law.

Benefit limitation

In no event will the annual pension benefit exceed \$195,000, (a) actuarially increased for benefit commencement later than age 65, (b) actuarially decreased for benefit commencement before age 62, (c) actuarially decreased for the benefit payment other than as a life annuity, unless a joint and surviving spouse option has been elected.

The benefit may be larger than the above limits if such benefit was accrued as of 12/31/82 or 12/31/86, and was within the limits permissible under the "grandfather" provisions of the prior versions of the law.

Compensation limitation

Beginning with 1989, in no event will the plan recognize annual compensation in excess of the limits of Section 401(a)(17). The limit is \$245,000 for 2009.

Borden Chemical, Inc. Employees Retirement Income Plan
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Schedule SB, Part V – Summary of Plan Provisions (continued)

<u>Profit Center</u>	<u>Union Code</u>	<u>Union Name</u>	<u>Annual Benefit Multiplier</u>	
			<u>1/1/2008</u>	<u>Future (Date)</u>
002	01	UBC, Local 753	\$ 222	
029 *	02	(Newark, CA)	\$ 84	
054 *	01	AMC, Local 442	\$ 108	
069 *	01	IBT, Local 198	\$ 162	
075 *	01	IBT, Local 385	\$ 138	
105 *	01	GSEU, Local 73	\$ 120	
108 *	01	IBT, Local 738	\$ 108	
114	01	AIWU, Local 188	\$ 240	
138	01	OCAW, Local 7-507	\$ 180	m
139	01	UAW, Local 1615 (Aurora, IL)	\$ 228	i
141 *	01	IBT, Local 738	\$ 156	
182 *	01	International Leatherworkers of American, Local 57	\$ 108	
185 *	01	ACTWU, Local 1296	\$ 180	
215 *	01	IBT, Local 984	\$ 150	
282	01	IAM, Local 1278 (Bainbridge)	\$ 264	
343 *	01		\$ 87	
370	01	IBT, Local 105	\$ 168	
373 *	01	ACTWU, Local 487	\$ 180	
373 *	04	ACTWU, Local 1925	\$ 168	
408 *	01	FLM Joint Board, Local 37L	\$ 132	
450 *	01		\$ 84	
468 *	01	IUOE, Local 347	\$ 111	
468 *	02	IBT, Local 949	\$ 120	
491 *	01	IBT, Local 781	\$ 120	c
515 *	01	IBT, Local 56 (Plymouth, Wisc.)	\$ 168	
519 *	02	IAM, Local 10	\$ 156	
CSC	01	General Drivers, Local 745	\$ 120	c

B. Notes:

* Location closed/sold - only disabled or C-8 transfers left.

c Future Service only.

i \$192 for service prior to 6/1/90. Moved to HA International JV 4/1/01 with no further accruals.

m \$228 for service before 3/1/91.

Borden Chemical, Inc. Employees Retirement Income Plan
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Schedule SB, line 25 – Change in Method

Under final regulations issued by the IRS, automatic approval was granted for changes in PPA elections from 2008 to 2009 for both the asset valuation methodology and the discount rate. The following two changes were made and subject to automatic approval:

- **Asset Valuation Method**

The actuarial asset valuation method changed from a one year smoothing to a method that spreads asset gains/(losses) over 2 years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions if any, is indicated in the Valuation Assets.

- **Discount Rate**

The discount rate method was changed from the Segment Rates (without transition) with no lookback to the Full Yield Curve with a one-month lookback.

In 2009, the Target Normal Cost includes estimated plan related expenses to be paid from plan assets during the year.

Borden Chemical, Inc. Employees Retirement Income Plan

EIN: 13-0511250

Plan Number: 001

Schedule SB, line 26 - Schedule of Active Participant Data
Plan Year: 1/1/2009 to 12/31/2009

Attained Age	Under 1 -- Average --			1 to 4 -- Average --			5 to 9 -- Average --			10 to 14 -- Average --			15 to 19 -- Average --		
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25	0	N/A	N/A	14	N/A	N/A	1	N/A	N/A	0	N/A	N/A	0	N/A	N/A
25 to 29	0	N/A	N/A	53	\$ 54,963.16	\$ 3,864.36	3	N/A	N/A	0	N/A	N/A	0	N/A	N/A
30 to 34	0	N/A	N/A	72	\$ 73,059.61	\$ 6,567.90	19	N/A	N/A	2	N/A	N/A	0	N/A	N/A
35 to 39	0	N/A	N/A	74	\$ 79,849.85	\$ 7,094.03	46	\$ 81,355.23	\$ 18,576.98	35	\$ 83,826.80	\$ 27,090.43	5	N/A	N/A
40 to 44	0	N/A	N/A	82	\$ 90,242.57	\$ 8,601.70	53	\$ 107,210.45	\$ 29,782.45	33	\$ 93,859.74	\$ 33,595.10	10	N/A	N/A
45 to 49	0	N/A	N/A	58	\$ 84,161.49	\$ 7,750.95	39	\$ 94,843.82	\$ 23,766.32	42	\$ 73,983.78	\$ 27,345.23	26	\$ 100,161.36	\$ 46,013.89
50 to 54	0	N/A	N/A	57	\$ 94,484.25	\$ 13,048.51	25	\$ 192,589.53	\$ 37,129.07	27	\$ 104,498.97	\$ 47,202.17	12	N/A	N/A
55 to 59	0	N/A	N/A	33	\$ 84,139.68	\$ 9,153.30	16	N/A	N/A	18	N/A	N/A	10	N/A	N/A
60 to 64	0	N/A	N/A	14	N/A	N/A	6	N/A	N/A	11	N/A	N/A	2	N/A	N/A
65 to 69	0	N/A	N/A	3	N/A	N/A	2	N/A	N/A	2	N/A	N/A	1	N/A	N/A
70 & up	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	1	N/A	N/A	0	N/A	N/A

Attained Age	20 to 24 -- Average --			25 to 29 -- Average --			30 to 34 -- Average --			35 to 39 -- Average --			40 & up -- Average --		
	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.	No.	Comp.	Cash Bal.
Under 25	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A
25 to 29	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A
30 to 34	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A
35 to 39	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A
40 to 44	6	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A
45 to 49	16	N/A	N/A	9	N/A	N/A	1	N/A	N/A	0	N/A	N/A	0	N/A	N/A
50 to 54	14	N/A	N/A	14	N/A	N/A	13	N/A	N/A	0	N/A	N/A	0	N/A	N/A
55 to 59	12	N/A	N/A	17	N/A	N/A	13	N/A	N/A	3	N/A	N/A	0	N/A	N/A
60 to 64	6	N/A	N/A	5	N/A	N/A	11	N/A	N/A	8	N/A	N/A	3	N/A	N/A
65 to 69	4	N/A	N/A	2	N/A	N/A	2	N/A	N/A	0	N/A	N/A	1	N/A	N/A
70 & up	1	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	1	N/A	N/A

Borden Chemical, Inc. Employees Retirement Income Plan
EIN: 13-0511250 / PN: 001

Schedule SB, line 32 – Schedule of Amortization Bases

Date Established	Initial Amount	Remaining Installments	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2009
January 1, 2008	\$31,988,297	6	\$ 5,350,278	\$ 26,840,699
January 1, 2009	\$17,094,943	7	\$ 3,033,475	\$ 17,094,943
Total charge			\$ 8,383,753	

ATTACHMENT TO FORM 5500

2009 Schedule C, Line 2(a) through (h) - Service Providers Information

EMPLOYER/PLAN SPONSOR: Hexion Specialty Chemicals, Inc.
E.I.N.: 13-0511250
PLAN NAME: Borden Chemical, Inc. Employees Retirement Income Plan
PLAN NUMBER: 001
PLAN YEAR ENDING: December 31, 2009

Additional Service Provider:

- (a) The Northern Trust Company - EIN 36-1561860
- (b) 28
- (c) None
- (d) \$14,299
- (e) No
- (f) Left blank
- (g) 0
- (h) No

BORDEN CHEMICAL, INC. EMPLOYEES RETIREMENT INCOME PLAN
SCHEDULE H, LINE 4j SCHEDULE OF REPORTABLE TRANSACTIONS
Year ended December 31, 2009

Name of plan sponsor:
Employer Identification Number:
Plan Number:

Hexion Specialty Chemicals, Inc.
13-0511250
001

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate & Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Current Cost of Asset	(h) Value of Asset on Transaction Date	(i) Net Gain or (Loss)
U.S. Treasury Bonds	United States Treasury Bond at 4.25%, due 05/15/39	\$ 8,806,552	\$ -	\$ -	-	\$ 8,806,552	\$ 8,806,552	\$ -
		-	8,884,917	-	-	8,806,552	8,884,917	78,365
Bank of New York	Collective Short-Term Investment Fund	38,141,886	-	-	-	38,141,886	38,141,886	-
		-	31,212,940	-	-	31,212,940	31,212,940	-

Category (iii): A series of transactions with the same security in excess of 5% of the current value of Plan assets: