

GRANTING CLAUSE III

MACHINERY AND EQUIPMENT.

All machinery, fixtures, tools, implements, apparatus, appliances, equipment, facilities and other property of every character and wherever situated, now or hereafter owned, constructed or acquired by the Company, including, without limitation, any of such property in any way belonging, relating or appertaining to, or used in connection with or located on, any of the real estate referred to in Granting Clause II above.

GRANTING CLAUSE IV

PLEGGED SECURITIES.

All shares of capital stock of Nylon Industries, Inc., a Delaware corporation and a Subsidiary of the Company, deposited with the Trustees contemporaneously with the execution and delivery hereof; the NII Note secured by the NII Mortgage and all other shares of stock, bonds, notes or other evidences of indebtedness which may after the date of this Indenture be subjected or be required to be subjected to the lien of this Indenture.

GRANTING CLAUSE V

PLEGGED CONTRACTS.

All the Company's right, title and interest in, to and under (i) the Products Agreement, (ii) the Supply Agreement, (iii) such other contracts and agreements which the Company is required to or may assign to and pledge with the Trustees hereunder or under the NII Mortgage, and (iv) all contracts and agreements modifying, amending or supplementing, or which may be entered into in substitution for or replacement of, any of the foregoing; the Company, however, remaining liable to observe and perform all the conditions and covenants therein provided to be observed and performed by it. Executed counterparts of the Products Agreement and of the Supply Agreement have been deposited with the Trustee contemporaneously with the execution and delivery hereof.