SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14D-1
TENDER OFFER STATEMENT
Pursuant to Section 14(d)(1) of the Securities Exchange Act of 1934

EKCO GROUP, INC.
(Name of Subject Company)

EG TWO ACQUISITION CORP.
CCPC ACQUISITION CORP.

AND

BORDEN, INC.
(Bidders)

COMMON STOCK, PAR VALUE $.01 PER SHARE
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)
AND
SERIES B ESOP CONVERTIBLE PREFERRED STOCK, PAR VALUE $.01 PER SHARE

(Title of Class of Securities)

282636109
(CUSIP Number of Common Stock)

WILLIAM F. STOLL, JR., ESQ.
BORDEN, INC.
180 EAST BROAD STREET
COLUMBUS, OHIO 43215
TELEPHONE: (614) 225-4313
(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications on Behalf of Bidder)

COPIES TO:

DAVID J. SORKIN, ESQ.
SIMPSON THACHER & BARTLETT
425 LEXINGTON AVENUE
NEW YORK, NEW YORK 10017
TELEPHONE: (212) 455-2000

CALCULATION OF FILING FEE

TRANSACTION VALUATION*	AMOUNT OF FILING FEE**
$158,560,619	$31,712.12

* For purposes of calculating the filing fee only, based on the offer to purchase all of the outstanding shares of Common Stock (including the associated preferred stock purchase rights) of the Subject Company at a purchase price of $7.00 cash per share, assuming a maximum of 19,189,818 shares outstanding and 2,529,802 options outstanding and all of the outstanding shares of Series B ESOP Convertible Preferred Stock at a purchase price of $7.00 per share, assuming 931,897 shares outstanding.

** 1/50 of 1% of Transaction Valuation.

/ / Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:
Form or Registration No.:
Filing Party:
Date Filed:

This Tender Offer Statement on Schedule 14D-1 relates to the offer by EG Two Acquisition Co., a Delaware corporation (the "Purchaser"), and a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), to purchase all of the outstanding shares of Common Stock, par value $0.01 per share (the "Common Stock") including the associated preferred stock purchase rights (the "Rights") issued pursuant to the Rights Agreement dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated as of March 21, 1997 and as amended on August 4, 1999 (as so amended, the "Rights Agreement") between the Company and American Stock Transfer & Trust Company, as rights agent (the "Rights Agent"), and all of the outstanding shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share ("the ESOP Preferred Stock", and together with the Common Stock, the "Shares"), of EKCO Group, Inc., a Delaware corporation (the "Company"), at a purchase price of $7.00 per Share (including, if applicable, the associated Right), net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 11, 1999 (the "Offer to Purchase"), a copy of which is attached hereto as Exhibit (a)(1), and in the related Letter of Transmittal (which, together with the Offer to Purchase, constitute the "Offer"), a copy of which is attached hereto as Exhibit (a)(2).

ITEM 1. SECURITY AND SUBJECT COMPANY

(a) The name of the subject company is Ekco Group, Inc. The information set forth in Section 7 ("Certain Information Concerning the Company") of the Offer to Purchase is incorporated herein by reference.

(b) The exact title of the classes of equity securities being sought in the Offer are (i) the Common Stock, par value $0.01 per share and (ii) the Series B ESOP Convertible Preferred Stock, par value $0.01 per share, of the Company. The information set forth in the Introduction (the "Introduction") of the Offer to Purchase is incorporated herein by reference.

(c) The information set forth in Section 6 ("Price Range of Shares; No Cash Dividends") of the Offer to Purchase is incorporated herein by reference.

ITEM 2. IDENTITY AND BACKGROUND.

(a)-(d) and (g) This Statement is filed by the Purchaser, the Parent and Borden. The information set forth in Section 8 ("Certain Information Concerning the Purchaser, the Parent and Borden") of the Offer to Purchase and in Schedule I thereto is incorporated herein by reference.

(e) and (f) During the last five years, none of the Purchaser, the Parent or Borden, nor, to the best knowledge of the Purchaser, the Parent or Borden, any of the persons listed in Schedule I to the Offer to Purchase (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting activities subject to, federal or state securities laws or finding any violation of such laws.

ITEM 3. PAST CONTACTS, TRANSACTIONS OR NEGOTIATIONS WITH THE SUBJECT COMPANY.

(a) The information set forth in Section 8 ("Certain Information Concerning the Purchaser, the Parent, and Borden") of the Offer to Purchase is incorporated herein by reference. Except as set forth in Section 8 of the Offer to Purchase, since January 3, 1996, there have been no transactions which would be required to be disclosed under this Item 3(a) between any of the Purchaser, the Parent or Borden, or, to the best knowledge of the the Purchaser, the Parent and Borden, any of the persons listed in Schedule I to the Offer to Purchase and the Company or any of its executive offices, directors or affiliates.

(b) The information set forth in Section 8 ("Certain Information Concerning the Purchaser, the Parent and Borden") and Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("The Merger Agreement; Guarantee") and Section 12 ("Purpose of the Offer; the Merger; Plans for the Company; Rights Agreement") of the Offer to Purchase is incorporated herein by reference. Except as set forth in Sections 8, 10, 11 and 12 of the Offer to Purchase, since January 3, 1996, there have been no contacts, negotiations or transactions which would be required to be disclosed under Item 3(b) between any of the Purchaser, the Parent, Borden or any of their respective subsidiaries or, to the best knowledge of the Purchaser, the Parent and Borden, any of those persons listed in Schedule I to the Offer to Purchase and the Company or its affiliates concerning a merger, consolidation or acquisition, a tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets.

ITEM 4. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) and (b)The information set forth in Section 9 ("Source and Amount of Funds") of the Offer to Purchase is incorporated herein by reference.

(c) Not applicable.

ITEM 5. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE BIDDER.

(a)-(g)The information set forth in the Introduction, Section 6 ("Price Range of Shares; No Cash Dividends"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("The Merger Agreement; Guarantee"), Section 12 ("Purpose of the Offer; the Merger; Plans for the Company; Rights Agreement") and Section 14 ("Effect of the Offer on the Market for the Shares, American Stock Exchange Listing and Exchange Act Registration") of the Offer to Purchase is incorporated herein by reference.

ITEM 6. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) The information set forth in the Introduction and Section 8 ("Certain Information Concerning the Purchaser, the Parent and Borden") of the Offer to Purchase is incorporated herein by reference. Except as set forth in the Introduction and Section 8 of the Offer to Purchase, none of the Purchaser, the Parent or Borden, nor, to the best knowledge of the Purchaser, the Parent and Borden, any of the persons listed in Schedule I to the Offer to Purchase or any associate or majority-owned subsidiary of the Purchaser, the Parent or Borden or any of the persons so listed beneficially owns or has any right to acquire, directly or indirectly, any Shares.

(b) The information set forth in the Introduction and Section 11 ("The Merger Agreement; Guarantee") of the Offer to Purchase is incorporated herein by reference. Except as set forth in the Introduction and Section 11 of the Offer to Purchase, neither the Purchaser, the Parent nor Borden nor, to the best knowledge of the Purchaser, the Parent and Borden, any of the persons or entities referred to above or any executive officer, director or subsidiary of any of the foregoing has effected any transactions in the Shares during the past sixty days.

ITEM 7. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE SUBJECT COMPANY'S SECURITIES.

The information set forth in Section 9 ("Source and Amount of Funds"), Section 10 ("Background of the Offer; Contacts with the Company"), Section 11 ("The Merger Agreement; Guarantee"), Section 12 ("Purpose of the Offer; the Merger; Plans for the Company; Rights Agreement") and Section 17 ("Fees and Expenses") of the Offer to Purchase is incorporated herein by reference. Except as set forth in Sections 9, 10, 11, 12 and 17 of the Offer to Purchase, none of the Purchaser, the Parent or Borden, nor, to the best knowledge of the Purchaser, the Parent and Borden, any of the persons listed in Schedule I to the Offer to Purchase, has any contract, arrangement, understanding or relationship with any other person

with respect to any securities of the Company (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loans or option arrangements, puts or calls, guarantees of loans, guarantee agreements or any giving or withholding of proxies).

ITEM 8. PERSONS RETAINED, EMPLOYED OR TO BE COMPENSATED.

The information set forth in the Introduction and Section 17 ("Fees and Expenses") of the Offer to Purchase is incorporated herein by reference.

ITEM 9. FINANCIAL STATEMENTS OF CERTAIN BIDDERS.

The information set forth in Section 8 ("Certain Information Concerning the Purchaser, the Parent and Borden") of the Offer to Purchase is incorporated herein by reference.

ITEM 10. ADDITIONAL INFORMATION.

(a) The information set forth in Section 11 ("The Merger Agreement") and Section 12 ("Purpose of the Offer; the Merger; Plans for the Company; Rights Agreement") of the Offer to Purchase is incorporated herein by reference.

(b) and (c)The information set forth in Section 16 ("Certain Legal Matters and Regulatory Approvals") of the Offer to Purchase is incorporated herein by reference.

(d) The information set forth in Section 16 ("Certain Legal Matters and Regulatory Approvals") of the Offer to Purchase is incorporated herein by reference.

(e) None.

(f) The information set forth in the Offer to Purchase and the Letter of Transmittal is incorporated herein by reference.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

(a)(1)Offer to Purchase dated August 11, 1999.

(a)(2)Letter of Transmittal.

(a)(3)Notice of Guaranteed Delivery.

(a)(4)Letter from the Dealer Manager to Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.

(a)(5)Letter to clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Nominees.

(a)(6)Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

(a)(7)Summary Advertisement as published on August 11, 1999.

(a)(8)Press Release issued by the Parent on August 5, 1999.

(c)(1)Agreement and Plan of Merger dated as of August 5, 1999 among Ekco Group, Inc., EG Two Acquisition Co. and CCPC Acquisition Corp.

(c)(2)Borden Guarantee.

(c)(3)Amendment dated August 10, 1999 to the Agreement and Plan of Merger dated as of August 5, 1999 among Ekco Group, Inc., EG Two Acquisition Co. and CCPC Acquisition Corp.

(d) Not applicable.

(e) Not applicable.

(f) Not applicable.

SIGNATURE

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

BORDEN, INC.

By: /s/ WILLIAM H. CARTER

NAME: William H. Carter
TITLE: Executive Vice President and Chief Financial Officer

CCPC ACQUISITION CORP.

By: /s/ PHYLLIS R. YEATMAN

NAME: Phyllis R. Yeatman
TITLE: President, Treasurer and Secretary

EG TWO ACQUISITION CO.

By: /s/ PHYLLIS R. YEATMAN

NAME: Phyllis R. Yeatman
TITLE: Vice President and Assistant Treasurer

Date: August 11, 1999

EXHIBIT INDEX

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)
AND
ALL OUTSTANDING SHARES OF
SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.
AT
$7.00 NET PER SHARE
BY
EG TWO ACQUISITION CO.
A SUBSIDIARY OF
CCPC ACQUISITION CORP.
AND AN AFFILIATE OF
BORDEN, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999,
UNLESS THE OFFER IS EXTENDED.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (I) THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PURSUANT TO THE OFFER PRIOR TO THE EXPIRATION OF THE OFFER SUCH NUMBER OF SHARES OF COMMON STOCK, PAR VALUE $0.01 PER SHARE (THE "COMMON SHARES") AND THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS AND SERIES B ESOP CONVERTIBLE PREFERRED STOCK, PAR VALUE $0.01 PER SHARE (THE "ESOP PREFERRED SHARES" AND TOGETHER WITH THE COMMON SHARES, THE "SHARES"), OF EKCO GROUP, INC. (THE "COMPANY"), WHICH CONSTITUTES MORE THAN 50% OF THE VOTING POWER (DETERMINED ON A FULLY-DILUTED BASIS), OF ALL OF THE SECURITIES OF THE COMPANY ENTITLED TO VOTE GENERALLY IN A MERGER AND (II) THE EXPIRATION OR TERMINATION OF ANY APPLICABLE WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED, OR ANY APPLICABLE FOREIGN COMPETITION LAWS. THE OFFER IS ALSO SUBJECT TO OTHER TERMS AND CONDITIONS. SEE THE INTRODUCTION AND SECTIONS 1 AND 15.

THE BOARD OF DIRECTORS OF THE COMPANY HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER, AND DETERMINED THAT THE TERMS OF THE OFFER AND THE MERGER ARE FAIR TO, AND IN THE BEST INTERESTS OF, THE HOLDERS

OF SHARES AND RECOMMENDS THAT STOCKHOLDERS OF THE COMPANY ACCEPT THE OFFER AND TENDER THEIR SHARES TO THE PURCHASER PURSUANT TO THE OFFER.

IMPORTANT

Any stockholder desiring to tender all or any portion of such stockholder's Shares (as defined herein) (and, if applicable, the associated preferred stock purchase rights (the "Rights") of the Company) should either (1) complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions in the Letter of Transmittal, mail or deliver the Letter of Transmittal (or such facsimile) and any other required documents to the Depositary (as defined herein), and either deliver the certificates representing the tendered Shares (and Rights, if applicable) and any other required documents to the Depositary or tender such Shares (and Rights, if applicable) pursuant to the procedure for book-entry transfer set forth in Section 3 or (2) request such stockholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such stockholder. Stockholders having Shares (and Rights, if applicable) registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if they desire to tender Shares so registered.

A stockholder who desires to tender Shares (and Rights, if applicable) and whose certificates representing such Shares (and Rights, if applicable) are not immediately available, or who cannot deliver the certificates for Shares (and Rights, if applicable) and all other required documents to reach the Depository on or prior to the Expiration Date (as defined herein), or who cannot comply with the procedure for book-entry transfer on a timely basis may tender such Shares (and Rights, if applicable) by following the procedures for guaranteed delivery set forth in Section 3.

Questions and requests for assistance may be directed to Goldman, Sachs & Co. (the "Dealer Manager") or to MacKenzie Partners, Inc. (the "Information Agent") at their respective addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from the Information Agent or the Dealer Manager, or from brokers, dealers, commercial banks or trust companies.

THE DEALER MANAGER FOR THE OFFER IS:

GOLDMAN, SACHS & CO.

AUGUST 11, 1999

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To the Stockholders of
EKCO GROUP, INC.

INTRODUCTION

EG Two Acquisition Co., a Delaware corporation (the "Purchaser"), which is a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), hereby offers to purchase all of the outstanding shares of Common Stock, par value $0.01 per share (the "Common Shares"), and the associated preferred stock purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated as of March 21, 1997 and as amended on August 4, 1999 (as so amended, the "Rights Agreement"), between Ekco Group Inc., a Delaware corporation (the "Company") and American Stock Transfer & Trust Company, as Rights Agent (the "Rights Agent"), and all of the outstanding shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares"), of the Company at a purchase price of $7.00 per Share including, if applicable, the associated Right, net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (which, as amended from time to time, together constitute the "Offer"). The Rights Agreement is described in greater detail below in Section 12. Unless the context requires otherwise, all references in this Offer to Purchase to Shares to which Rights are attached shall be deemed to refer also to the associated Rights, and all references to Rights shall be deemed to include all benefits that may inure to the stockholders of the Company or to holders of the Rights pursuant to the Rights Agreement. In connection with the Merger Agreement (as defined below), the Company has amended the Rights Agreement so that (a) the execution and delivery of the Merger Agreement, the consummation of the Offer, the acquisition of Shares pursuant to the Offer and the consummation of the transactions contemplated thereby, do not and will not, with or without the passage of time, result in (i) the grant of any Rights to any person under the Rights Agreement or enable or require the outstanding rights to be exercised, distributed or triggered, (ii) the Parent, the Purchaser or any of their affiliates becoming an Acquiring Person (as defined in the Rights Agreement), (iii) the occurrence of a Distribution Date or a Shares Acquisition Date (each as defined in the Rights Agreement) and (b) the Rights will expire at, and subject to, the consummation of the Offer. Unless and until the Distribution Date occurs, the Rights will be transferred with and only with the Shares and, therefore, the surrender for transfer of any of the certificates representing Shares (the "Share Certificates"), including upon acceptance for payment of such Shares pursuant to the Offer, will also constitute the surrender for transfer of the Rights associated with the Shares represented by such Share Certificates. See Section 12.

Tendering stockholders will not be obligated to pay brokerage fees or commissions or, subject to Instruction 6 of the Letter of Transmittal, stock transfer taxes on the transfer and sale of Shares and Rights pursuant to the Offer. The Purchaser will pay all fees and expenses of Goldman, Sachs & Co., which is acting as Dealer Manager for the Offer (in such capacity, the "Dealer Manager"), IBJ Whitehall Bank & Trust Company, which is acting as the Depositary (in such capacity, the "Depositary"), and MacKenzie Partners, Inc., which is acting as the Information Agent (in such capacity, the "Information Agent"), incurred in connection with the Offer. See Section 17.

THE BOARD OF DIRECTORS OF THE COMPANY (THE "BOARD OF DIRECTORS") HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER (AS DEFINED BELOW), AND DETERMINED THAT THE TERMS OF THE OFFER AND THE MERGER ARE FAIR TO, AND IN THE BEST INTERESTS OF, THE HOLDERS OF THE SHARES AND RECOMMENDS THAT THE HOLDERS OF THE SHARES ACCEPT THE OFFER AND TENDER THEIR SHARES TO THE PURCHASER PURSUANT TO THE OFFER.

The Board of Directors has received the written opinion dated August 4, 1999 of Lehman Brothers, Inc. ("Lehman Brothers"), financial advisor to the Company, to the effect that, as of such date and based upon and subject to certain matters stated therein, from a financial point of view the $7.00 per Share cash consideration to be received in the Offer and the Merger by holders of Shares (other than the Parent, the Purchaser or any direct or indirectly wholly owned subsidiary of the Parent or the Purchaser) is fair to such holders. A copy of the written opinion of Lehman Brothers is attached to the Company's Solicitation/ Recommendation Statement on Schedule 14D-9, which is being distributed to the stockholders of the Company, and stockholders are urged to read the opinion carefully in its entirety for the assumptions made, matters considered and limitations on the review undertaken by Lehman Brothers.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (I) THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PURSUANT TO THE OFFER PRIOR TO THE EXPIRATION DATE (AS DEFINED IN SECTION 1) SUCH NUMBER OF SHARES WHICH CONSTITUTES MORE THAN 50% OF THE VOTING POWER (DETERMINED ON A FULLY DILUTED BASIS) OF ALL SECURITIES OF THE COMPANY ENTITLED TO VOTE GENERALLY IN A MERGER ON THE DATE OF PURCHASE (THE "MINIMUM CONDITION") AND (II) THE EXPIRATION OR TERMINATION OF ANY APPLICABLE WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED (THE "HSR ACT") OR ANY APPLICABLE FOREIGN COMPETITION LAWS (THE "HSR ACT CONDITION"). SEE SECTIONS 1 AND 15. IF THE PURCHASER PURCHASES NOT LESS THAN THAT NUMBER OF SHARES NEEDED TO SATISFY THE MINIMUM CONDITION, IT WILL BE ABLE TO EFFECT THE MERGER WITHOUT THE AFFIRMATIVE VOTE OF ANY OTHER STOCKHOLDER OF THE COMPANY. SEE SECTION 12.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of August 5, 1999 and amended as of August 10, 1999 (as amended, the "Merger Agreement"), among the Parent, the Purchaser and the Company. The Merger Agreement provides, among other things, for the making of the Offer by the Purchaser, and further provides that, following the completion of the Offer, upon the terms and subject to the conditions of the Merger Agreement, and in accordance with the Delaware General Corporation Law (the "DGCL"), the Purchaser will be merged with and into the Company (the "Merger"). Following the Merger, the Company will continue as the surviving corporation (the "Surviving Corporation") and become a wholly owned subsidiary of the Parent, and the separate corporate existence of the Purchaser will cease. Borden has guaranteed certain obligations of the Parent and the Purchaser under the Merger Agreement. See Section 11.

At the effective time of the Merger (the "Effective Time"), (i) each Common Share issued and outstanding immediately prior to the Effective Time (other than Common Shares owned by the Company and Common Shares owned by the Parent, the Purchaser or any other direct or indirectly wholly owned subsidiary of the Parent or the Purchaser, which shall be cancelled, and other than Common Shares, if any (collectively, "Dissenting Shares"), held by stockholders who have properly exercised appraisal rights under Section 262 of the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the Shares be cancelled, extinguished and converted into and become a right to receive $7.00 in cash (the "Merger Consideration"), payable to the holder thereof, without interest, upon surrender of the certificate formerly representing such Common Share, less any required withholding taxes and (ii) each ESOP Preferred Share issued and outstanding immediately prior to the Effective Time (other than ESOP Preferred Shares owned by the Company and ESOP Preferred Shares owned by the Parent, the Purchaser or any other direct or indirectly wholly owned subsidiary of the Parent or the Purchaser, which shall be cancelled, and other than ESOP Preferred Shares, if any, held by stockholders who have properly exercised appraisal rights under Section 262 of the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the ESOP Preferred Shares be cancelled, extinguished and converted into and become a right to receive the amount of consideration that a holder of the number of Common Shares into which such ESOP Preferred Shares were convertible immediately prior to the Effective Time would be entitled to receive in the Merger, payable to the holder thereof, without interest, upon surrender of the certificate formerly representing such ESOP Preferred Share, less any required withholding taxes.

The Merger Agreement is more fully described in Section 11. Certain federal income tax consequences of the sale of the Shares pursuant to the Offer and the exchange of Shares for the Merger Consideration pursuant to the Merger are described in Section 5.

The Company has represented to the Parent and the Purchaser that as of the close of business on July 4, 1999, there were 19,159,818 Common Shares issued and outstanding, 931,897 ESOP Preferred Shares issued and outstanding and 2,529,802 Common Shares reserved for issuance upon exercise of outstanding options or warrants. In addition, the Company has represented to the Parent and the Purchaser that from July 4, 1999 through August 5, 1999, it did not issue more than an additional 30,000 Common Shares. The ESOP Preferred Shares are convertible into Common Shares at the ratio of one Common Share for each ESOP Preferred Share. Based upon the foregoing, the Purchaser believes that approximately 11,325,759 shares constitutes 50% of the outstanding Shares on a fully-diluted basis.

THIS OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

THE TENDER OFFER

1. TERMS OF THE OFFER; EXPIRATION DATE. Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), the Purchaser will accept for payment and pay for all Shares validly tendered on or prior to the Expiration Date and not properly withdrawn as permitted by Section 4. The term "Expiration Date" means 12:00 Midnight, New York City time, on Wednesday, September 8, 1999, unless and until the Purchaser, in its sole discretion (but subject to the terms and conditions of the Merger Agreement), shall have extended the period during which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date at which the Offer, as so extended by the Purchaser, shall expire.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, SATISFACTION OF THE MINIMUM CONDITION AND THE HSR ACT CONDITION AND CERTAIN OTHER CONDITIONS. SEE SECTION 15, WHICH SETS FORTH IN FULL THE CONDITIONS TO THE OFFER. SUBJECT TO THE PROVISIONS OF THE MERGER AGREEMENT AND THE APPLICABLE RULES AND REGULATIONS OF THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION"), THE PURCHASER RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO WAIVE ANY OR ALL CONDITIONS TO THE OFFER (OTHER THAN THE MINIMUM CONDITION) AND TO MODIFY THE TERMS OF THE OFFER. SUBJECT TO THE PROVISIONS OF THE MERGER AGREEMENT, INCLUDING THE PROVISIONS OF THE MERGER AGREEMENT DESCRIBED IN THE NEXT PARAGRAPH, AND THE APPLICABLE RULES AND REGULATIONS OF THE COMMISSION, IF BY THE EXPIRATION DATE ANY OR ALL OF SUCH CONDITIONS TO THE OFFER HAVE NOT BEEN SATISFIED, THE PURCHASER RESERVES THE RIGHT (BUT SHALL NOT BE OBLIGATED) TO (I) TERMINATE THE OFFER AND RETURN ALL TENDERED SHARES TO TENDERING STOCKHOLDERS, (II) WAIVE SUCH UNSATISFIED CONDITIONS AND PURCHASE ALL SHARES VALIDLY TENDERED OR (III) EXTEND THE OFFER AND, SUBJECT TO THE TERMS OF THE OFFER (INCLUDING THE RIGHTS OF STOCKHOLDERS TO WITHDRAW THEIR SHARES), RETAIN THE SHARES WHICH HAVE BEEN TENDERED, UNTIL THE TERMINATION OF THE OFFER, AS EXTENDED.

Subject to the applicable rules and regulations of the Commission and the provisions of the Merger Agreement, the Purchaser expressly reserves the right, in its sole discretion, at any time and from time to time, and regardless of whether or not any of the events set forth in Section 15 shall have occurred, to (i) extend the period of time during which the Offer is open and thereby delay acceptance for payment of, and the payment for, any Shares, by giving oral or written notice of such extension to the Depositary or (ii) amend the Offer in any respect by giving oral or written notice of such amendment to the Depositary. During any such extension, all Shares previously tendered and not properly withdrawn will remain subject to the Offer, subject to the right of a tendering stockholder to withdraw such stockholder's Shares. Under the terms of the Merger Agreement, the Purchaser has agreed with the Company that it will not, without the prior written consent of the Company, decrease the price per Share payable in the Offer to below $7.00, reduce the minimum number of Shares to be purchased in the Offer, change the form of

consideration payable in the Offer (other than by adding consideration), add to, modify or supplement the conditions to the Offer, extend the Expiration Date beyond the 20 business days following the commencement thereof (except as described below in this paragraph) or otherwise make any other change in the terms and conditions of the Offer which is materially adverse to the holders of Shares, provided that the waiver by Purchaser of any condition in whole or in part (other than the Minimum Condition) shall not be deemed to be materially adverse to any holder of Shares. The Merger Agreement provides that if the Purchaser does not consummate the Offer on the Initial Expiration Date due to the failure of one or more conditions to be satisfied, the Purchaser shall extend the Offer (on one or more occasions) beyond the Initial Expiration Date until the earlier of (i) 11:59 p.m. New York time on October 4, 1999 or (ii) two business days after such time as such conditions are satisfied or waived, PROVIDED that the Purchaser shall not be obligated to extend the Offer pursuant to this sentence if the condition that has not been satisfied is not reasonably capable of being satisfied at or prior to the time referred to in (i) above. The Merger Agreement also provides that if the Purchaser does not consummate the Offer, on or prior to October 4, 1999 due to the failure of one or more conditions to be satisfied, and if such condition or conditions are reasonably capable of being satisfied, the Purchaser shall, at the request of the Company, extend the Offer (on one or more occasions) until the earlier of (i) December 3, 1999 or (ii) two business days after such time as such conditions are satisfied or waived. The Merger Agreement also provides that if the Purchaser does not consummate the Offer, on or prior to October 4, 1999 due to the failure of one or more conditions to be satisfied, and if such condition or conditions are reasonably capable of being satisfied, the Purchaser may extend the Offer (on one or more occasions) until the earlier of (i) December 2, 1999 or (ii) until February 1, 2000 if the Offer shall not have been consummated solely due to the failure of the HSR Act Condition to be satisfied. The Purchaser may extend the Offer to the extent required by any rule or regulation of the Commission and may extend the Offer on one or more occasions for not more than fifteen business days beyond the scheduled expiration date if all of the conditions thereto have been satisfied or waived and less than 90% of the outstanding Shares have been validly tendered and not properly withdrawn pursuant to the Offer (the "15 Day Right") provided that if the Purchaser shall extend the Offer pursuant to the 15 Day Right, the Purchaser shall waive during such 15 business days all the conditions other than the Minimum Condition and the conditions set forth in (a), (b) and (d) in Section 15. The Purchaser shall have no obligation to pay interest on the purchase price of tendered Shares. The rights reserved by the Purchaser in this paragraph are in addition to the Purchaser's rights to terminate the Offer pursuant to Section 15.

If the Purchaser makes a material change in the terms of the Offer or if it waives a material condition of the Offer, the Purchaser will disseminate additional tender offer material and extend the Offer to the extent required by Rules 14d-4(c), 14d-6(d) and 14e-1 under the Exchange Act. The minimum period during which an offer must remain open following material changes in the terms of the Offer, other than a change in price or a change in the percentage of securities sought, will depend upon the facts and circumstances, including the materiality, of the changes. With respect to a change in price or, subject to certain limitations, a change in the percentage of securities sought, a minimum ten business day period from the day of such change is generally required to allow for adequate dissemination to stockholders. For purposes of the Offer, a "business day" means any day other than a Saturday, Sunday, or a federal holiday and consists of the time period from 12:01 A.M. through 12:00 Midnight, New York City time.

The Company has provided the Purchaser with the Company's stockholder list and security position listings for the purpose of disseminating the Offer to holders of Shares. This Offer to Purchase and the related Letter of Transmittal and other relevant materials will be mailed by the Purchaser to record holders of Shares and furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing, for subsequent transmittal to beneficial owners of Shares.

2. ACCEPTANCE FOR PAYMENT AND PAYMENT FOR SHARES. Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), the Purchaser will accept for payment and will pay for all Shares validly tendered and not properly withdrawn on or prior to the Expiration Date as soon as practicable after the later to occur of (i) the Expiration Date and (ii) the satisfaction or waiver of the conditions of the Offer set forth in Section 15, including without limitation the Minimum Condition and the HSR Act Condition. In addition, subject to applicable rules of the Commission, the Purchaser expressly reserves the right to delay acceptance for payment of or payment for Shares pending receipt of any other regulatory approvals specified in Section 16. Any such delays will be effected in compliance with Rule 14e-1(c) under the Exchange Act (relating to a bidder's obligation to pay for or return tendered securities promptly after the termination or withdrawal of such bidder's offer).

For information with respect to approvals required to be obtained prior to the consummation of the Offer, including the HSR Act, see Section 16.

In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (i) Share Certificates and, if applicable, certificates evidencing the Rights ("Rights Certificates"), or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of such Shares and, if applicable, Rights into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3, (ii) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message (as defined below) in connection with a book-entry transfer, and (iii) any other documents required by the Letter of Transmittal.

The term "Agent's Message" means a message transmitted by the Book-Entry Transfer Facility to and received by the Depositary and forming a part of the Book-Entry Confirmation, which states that the Book-Entry Transfer Facility has received an express acknowledgment from the participant in the Book-Entry Transfer Facility tendering the Shares and, if applicable, Rights that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Purchaser may enforce such agreement against such participant.

PRIOR TO A DISTRIBUTION DATE, A VALID TENDER OF SHARES TO WHICH RIGHTS ARE ATTACHED WILL ALSO CONSTITUTE A TENDER OF THE ASSOCIATED RIGHTS. If Rights Certificates have been distributed to holders of Shares, such holders are required to tender, or make book-entry transfer of, Rights Certificates representing a number of Rights equal to the number of such Shares being tendered in order to effect a valid tender of such Shares. See Section 12.

For purposes of the Offer, the Purchaser will be deemed to have accepted for payment (and thereby purchased) Shares validly tendered and not properly withdrawn as, if and when the Purchaser gives oral or written notice to the Depositary of the Purchaser's acceptance for payment of such Shares and Rights pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares and Rights accepted for payment pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payments from the Purchaser and transmitting such payments to stockholders whose Shares and Rights have been accepted for payment. UNDER NO CIRCUMSTANCES WILL INTEREST ON THE PURCHASE PRICE FOR SHARES AND RIGHTS BE PAID BY THE PURCHASER, REGARDLESS OF ANY EXTENSION OF THE OFFER OR ANY DELAY IN MAKING SUCH PAYMENT. If, for any reason whatsoever, acceptance for payment of or payment for any Shares and Rights tendered pursuant to the Offer is delayed or the Purchaser is unable to accept for payment or pay for Shares and Rights tendered pursuant to the Offer, then without prejudice to the Purchaser's rights set forth herein, the Depositary may nevertheless, on behalf of the Purchaser and subject to Rule 14e-1(c) under the Exchange Act, retain tendered Shares and Rights and such Shares and Rights may not be withdrawn except to the extent that the tendering stockholder is entitled to and duly exercises withdrawal rights as described in Section 4.

If any tendered Shares and Rights are not accepted for payment for any reason or if Share Certificates are submitted for more Shares and Rights than are tendered, Share Certificates evidencing unpurchased or untendered Shares and Rights will be returned without expense to the tendering stockholder (or, in the case of Shares and Rights tendered by book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility pursuant to the procedures set forth in Section 3, such Shares and Rights will be credited to an account maintained at the Book-Entry Transfer Facility), in each case with the related Rights Certificates, if any, as promptly as practicable following the expiration, termination or withdrawal of the Offer.

The Purchaser reserves the right to transfer or assign to Parent or to one or more corporations, 80% or more of the outstanding capital stock of which is directly or indirectly owned by Parent, the right to purchase all of the Shares and Rights tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Purchaser of its obligations under the Offer and will in no way prejudice the rights of tendering stockholders to receive payment for Shares and, if applicable, Rights validly tendered and accepted for payment pursuant to the Offer.

3. PROCEDURE FOR TENDERING SHARES AND RIGHTS.

VALID TENDERS. Except as set forth below, in order for Shares and Rights to be validly tendered pursuant to the Offer, the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in connection with a book-entry delivery of Shares and Rights, and any other documents required by the Letter of Transmittal, must be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date and either (i) Share Certificates and Rights Certificates, if applicable, evidencing tendered Shares and Rights must be received by the Depositary at such address or such Shares and Rights must be tendered pursuant to the procedure for book-entry transfer described below and a Book-Entry Confirmation must be received by the Depositary, in each case on or prior to the Expiration Date or (ii) the guaranteed delivery procedures described below must be complied with.

RIGHTS CERTIFICATES. PRIOR TO A DISTRIBUTION DATE, A VALID TENDER OF SHARES TO WHICH RIGHTS ARE ATTACHED WILL ALSO CONSTITUTE A TENDER OF THE ASSOCIATED RIGHTS. If the Distribution Date has occurred and Rights Certificates have been distributed to such holders prior to the date of tender pursuant to the Offer, Rights Certificates representing a number of Rights equal to the number of such Shares being tendered must be delivered to the Depositary or, if available, a Book-Entry Confirmation must be received by the Depositary with respect thereto, in order for such Shares to be validly tendered. If the Distribution Date has occurred and Rights Certificates have not been distributed prior to the time such Shares are tendered pursuant to the Offer, Rights may be tendered prior to a stockholder receiving Rights Certificates by use of the guaranteed delivery procedures described below. A tender of Shares to which Rights are attached without Rights Certificates constitutes an agreement by the tendering stockholder to deliver Rights Certificates representing a number of Rights equal to the number of such Shares tendered pursuant to the Offer to the Depositary within three business days after the date Rights Certificates are distributed. See Section 1.

BOOK-ENTRY TRANSFER. The Depositary will make a request to establish accounts with respect to the Shares at the Book-Entry Transfer Facility for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the system of the Book-Entry Transfer Facility may make book-entry delivery of Shares by causing the Book-Entry Transfer Facility to transfer such Shares into the Depositary's account at the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures for such transfer. However, although delivery of Shares may be effected through book-entry transfer at the Book-Entry Transfer Facility, the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by the Letter of Transmittal, must in any case be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date, or the guaranteed delivery

procedures described below must be complied with. If the Distribution Date occurs, to the extent that the Rights become eligible for book-entry transfer under procedures established by the Book-Entry Transfer Facility, the Depositary will make a request to establish an account with respect to the Rights at the Book-Entry Transfer Facility as soon as practicable. If book-entry delivery of Rights is available, the foregoing book-entry transfer procedure will also apply to Rights. However, no assurance can be given that book-entry delivery of Rights will be available. If book-entry delivery is not available and if separate Rights Certificates have been issued, a tendering stockholder is not relieved of delivery requirements hereunder and thus will be required to tender Rights by means of actual physical delivery of Rights Certificates to the Depositary or pursuant to the guaranteed delivery procedures set forth below.

DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY IN ACCORDANCE WITH THE BOOK-ENTRY TRANSFER FACILITY'S PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

THE METHOD OF DELIVERY OF SHARE CERTIFICATES AND RIGHTS CERTIFICATES, IF APPLICABLE, AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING STOCKHOLDER AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

SIGNATURE GUARANTEES. Signatures on Letters of Transmittal must be guaranteed by a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (each of the foregoing being referred to as an "Eligible Institution"), except in cases where Shares and Rights are tendered (i) by a registered holder of Shares and Rights who has not completed either the box labeled "Special Payment Instructions" or the box labeled "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution. See Instructions 1 and 5 of the Letter of Transmittal.

If the Share Certificates and Rights Certificates, if applicable, are registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made, or Share Certificates and Rights Certificates, if applicable, not accepted for payment or not tendered are to be returned, to a person other than the registered holder, the Share Certificates and Rights Certificate, if applicable, must be endorsed or accompanied by appropriate stock powers, in either case, signed exactly as the name of the registered holder appears on such certificates, with the signatures on such certificates or stock powers guaranteed as aforesaid. See Instructions 1 and 5 of the Letter of Transmittal.

If Share Certificates and Rights Certificates, if applicable, are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) must accompany each such delivery.

GUARANTEED DELIVERY. If a stockholder desires to tender Shares and Rights pursuant to the Offer and such stockholder's Share Certificates and Rights Certificates, if applicable, are not immediately available, or such stockholder cannot deliver the Share Certificates and Rights Certificates, if applicable, and all other required documents to reach the Depositary on or prior to the Expiration Date, or such stockholder cannot complete the procedure for delivery by book-entry transfer on a timely basis, such Shares and, if applicable, Rights may nevertheless be tendered, provided that all of the following conditions are satisfied:

(i) such tender is made by or through an Eligible Institution;

(ii) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form made available by the Purchaser is received by the Depositary as provided below on or prior to the Expiration Date; and

(iii) the Share Certificates and Rights Certificates, if applicable (or a Book-Entry Confirmation), representing all tendered Shares and Rights in proper form for transfer, together with the Letter of

Transmittal (or a facsimile thereof) properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by the Letter of Transmittal are received by the Depositary within three trading days after the date of execution of such Notice of Guaranteed Delivery. A trading day is any day on which the American Stock Exchange is open for business.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by telegram, telex, facsimile transmission or mail to the Depositary and must include a guarantee by an Eligible Institution and a representation that the stockholder owns the Shares and, if applicable, Rights tendered within the meaning of, and that the tender of the Shares and, if applicable, Rights effected thereby complies with, Rule 14e-4 under the Exchange Act, each in the form set forth in such Notice of Guaranteed Delivery.

Notwithstanding any other provision hereof, payment for Shares accepted for payment pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of Share Certificates and Rights Certificates, if applicable, for, or of Book-Entry Confirmation with respect to, such Shares and, if applicable, Rights, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message), and any other documents required by the Letter of Transmittal. Accordingly, payment might not be made to all tendering stockholders at the same time and will depend upon when Share Certificates and Rights Certificates, if applicable, or Book-Entry Confirmations with respect to such Shares and, if applicable, Rights are received into the Depositary's account at the Book-Entry Transfer Facility.

APPOINTMENT AS PROXY. By executing the Letter of Transmittal, a tendering stockholder irrevocably appoints designees of the Purchaser and each of them as such stockholder's attorneys-in-fact and proxies, with full power of substitution, in the manner set forth in the Letter of Transmittal, to the full extent of such stockholder's rights with respect to the Shares and Rights tendered by such stockholder and accepted for payment by the Purchaser (and with respect to any and all other Shares or Rights or other securities issued or issuable in respect of such Shares or Rights on or after the date hereof). All such powers of attorney and proxies shall be considered irrevocable and coupled with an interest in the tendered Shares. Such appointment will be effective when, and only to the extent that, the Purchaser accepts such Shares and, if applicable, Rights for payment. Upon such acceptance for payment, all prior powers of attorney and proxies given by such stockholder with respect to such Shares and, if applicable, Rights (and such other Shares, Rights and other securities) will be revoked without further action, and no subsequent powers of attorney and proxies may be given nor any subsequent written consents executed (and, if given or executed, will not be deemed effective). The designees of the Purchaser will, with respect to the Shares and, if applicable, Rights (and such other Shares, Rights and other securities) for which such appointment is effective, be empowered to exercise all voting and other rights of such stockholder as they in their sole discretion may deem proper at any annual or special meeting of the Company's stockholders or any adjournment or postponement thereof, by written consent in lieu of any such meeting or otherwise. The Purchaser reserves the right to require that, in order for Shares and, if applicable, Rights to be deemed validly tendered, immediately upon the Purchaser's payment for such Shares and, if applicable, Rights, the Purchaser must be able to exercise full voting rights with respect to such Shares, if applicable, Rights and other securities, including voting at any meeting of stockholders.

DETERMINATION OF VALIDITY. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Shares and, if applicable, Rights will be determined by the Purchaser in its sole discretion, which determination shall be final and binding. The Purchaser reserves the absolute right to reject any and all tenders determined by it not to be in proper form or the acceptance for payment of which may in the opinion of its counsel be unlawful. The Purchaser also reserves the absolute right to waive any of the conditions of the Offer (subject to the provisions of the Merger Agreement) or any defect or irregularity in any tender of Shares and, if applicable, Rights of any particular stockholder whether or not similar defects or irregularities are waived in the case of other stockholders. No tender of Shares or Rights will be deemed to have been validly made until all defects and irregularities have been

cured or waived. None of the Purchaser, the Parent, any of their affiliates or assigns, the Dealer Manager, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. The Purchaser's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the instructions thereto) will be final and binding.

BACKUP FEDERAL INCOME TAX WITHHOLDING AND SUBSTITUTE FORM W-9. Under the "backup withholding" provisions of federal income tax law, the Depositary may be required to withhold 31% of the amount of any payments of cash pursuant to the Offer. In order to avoid backup withholding, each stockholder surrendering Shares in the Offer must, unless an exemption applies, provide the payor of such cash with such stockholder's correct taxpayer identification number ("TIN") on a substitute Form W-9 and certify, under penalties of perjury, that such TIN is correct and that such stockholder is not subject to backup withholding. If a stockholder does not provide its correct TIN or fails to provide the certifications described above, the Internal Revenue Service ("IRS") may impose a penalty on such stockholder and payment of cash to such stockholder pursuant to the Offer may be subject to backup withholding of 31%. All stockholders surrendering Shares pursuant to the Offer should complete and sign the substitute Form W-9 included in the Letter of Transmittal to provide the information and certification necessary to avoid backup withholding (unless an applicable exemption exists and is proved in a manner satisfactory to the Depositary). Certain stockholders (including, among others, all corporations and certain foreign individuals and entities) are not subject to backup withholding. Noncorporate foreign stockholders should complete and sign a Form W-8, Certificate of Foreign Status, a copy of which may be obtained from the Depositary, in order to avoid backup withholding. See Instruction 9 of the Letter of Transmittal.

OTHER REQUIREMENTS. The Purchaser's acceptance for payment of Shares and, if applicable, Rights tendered pursuant to any of the procedures described above will constitute a binding agreement between the tendering stockholder and the Purchaser upon the terms and subject to the conditions of the Offer, including the tendering stockholder's representation and warranty that the stockholder is the holder of the Shares and, if applicable, Rights within the meaning of, and that the tender of the Shares and Rights complies with, Rule 14e-4 under the Exchange Act.

4. WITHDRAWAL RIGHTS. Tenders of Shares and, if applicable, Rights made pursuant to the Offer are irrevocable, except that Shares and, if applicable, Rights tendered pursuant to the Offer may be withdrawn at any time on or prior to the Expiration Date and, unless theretofore accepted for payment by the Purchaser pursuant to the Offer, may also be withdrawn at any time after October 9, 1999. If the Purchaser extends the Offer, is delayed in its acceptance for payment of Shares and, if applicable, Rights or is unable to purchase Shares and, if applicable, Rights validly tendered pursuant to the Offer for any reason, then without prejudice to the Purchaser's rights under the Offer, the Depositary may nevertheless, on behalf of the Purchaser, retain tendered Shares and, if applicable, Rights and such Shares and, if applicable, Rights may not be withdrawn except to the extent that tendering stockholders are entitled to withdrawal rights as described in this Section 4. Any such delay in acceptance for payment will be accompanied by an extension of the Offer to the extent required by law.

For a withdrawal to be effective, a written, telegraphic, telex or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase. Any notice of withdrawal must specify the name of the person who tendered the Shares and, if applicable, Rights to be withdrawn, the number of Shares and, if applicable, Rights to be withdrawn and the name of the registered holder, if different from that of the person who tendered such Shares or Rights. If Share Certificates or Rights Certificates to be withdrawn have been delivered or otherwise identified to the Depositary, then prior to the physical release of such certificates, the serial numbers shown on such certificates must be submitted to the Depositary and the signatures on the notice of withdrawal must be guaranteed by an Eligible Institution unless such Shares or Rights have been tendered for the account of an Eligible Institution. If Shares or Rights have been tendered pursuant to the procedure for book-entry transfer as set forth in Section 3, any notice of withdrawal must specify the name

and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares or Rights, in which case a notice of withdrawal will be effective if delivered to the Depositary by any method of delivery described in the first sentence of this paragraph.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Purchaser, in its sole discretion, whose determination will be final and binding. None of the Purchaser, the Parent, any of their affiliates or assigns, the Dealer Manager, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Withdrawals of Shares and, if applicable, Rights may not be rescinded. Any Shares and, if applicable, Rights properly withdrawn will thereafter be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares and Rights may be re-tendered at any time prior to the Expiration Date by following one of the procedures described in Section 3. A withdrawal of Shares shall also constitute a withdrawal of associated Rights, if applicable, provided that Rights may not be withdrawn separately.

5. CERTAIN FEDERAL INCOME TAX CONSEQUENCES. The summary of tax consequences set forth below is for general information only and is based on the law as currently in effect. The tax treatment of each stockholder will depend in part upon such stockholder's particular situation. Special tax consequences not described herein may be applicable to particular classes of taxpayers, such as financial institutions, broker-dealers, persons who are not citizens or residents of the United States, stockholders who acquired their Shares through the exercise of an employee stock option or otherwise as compensation, and persons who received payments in respect of options to acquire Shares. ALL STOCKHOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES OF THE OFFER AND THE MERGER TO THEM, INCLUDING THE APPLICABILITY AND EFFECT OF THE ALTERNATIVE MINIMUM TAX AND ANY STATE, LOCAL OR FOREIGN INCOME AND OTHER TAX LAWS AND CHANGES IN SUCH TAX LAWS.

The receipt of cash pursuant to the Offer or the Merger will be a taxable transaction for Federal income tax purposes under the Internal Revenue Code of 1986, as amended, and may also be a taxable transaction under applicable state, local, foreign income or other tax laws. Generally, for Federal income tax purposes, a stockholder will recognize gain or loss in an amount equal to the difference between the cash received by the stockholder pursuant to the Offer or the Merger and the stockholder's adjusted tax basis in the Shares and the associated Rights tendered by the stockholder and purchased pursuant to the Offer or the Merger. For Federal income tax purposes, such gain or loss will be a capital gain or loss if the Shares and, if applicable, the associated Rights are a capital asset in the hands of the stockholder, and a long-term capital gain or loss if the stockholder's holding period is more than one year as of the date the Purchaser accepts such Shares and, if applicable, the associated Rights for payment pursuant to the Offer or the effective date of the Merger, as the case may be. There are limitations on the deductibility of capital losses. Capital gains of individuals derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. INDIVIDUALS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES OF THE NEW LEGISLATION.

6. PRICE RANGE OF SHARES; NO CASH DIVIDENDS. The Shares are listed and traded on the American Stock Exchange under the symbol "EKO". Prior to July 26, 1999, the shares were listed on the New York Stock Exchange. The following table sets forth, for the quarters indicated, the high and low sales prices of Ekco Common Stock as reported in the Company's Annual Reports on Form 10-K for the fiscal years ended January 3, 1999 and January 3, 1998 (the "1998 Annual Report" and the "1997 Annual Report," respectively) with respect to the fiscal years covered by such Annual Reports, respectively, and as reported by the Dow Jones News Service thereafter. According to the 1997 Annual Report, the Company has

suspended the payment of a quarterly dividend and does not anticipate paying cash dividends for the foreseeable future.

	HIGH	LOW
Fiscal Year Ended January 3, 1998:		
First Quarter.....	$ 6 1/8	$ 3 7/8
Second Quarter....	$ 5 7/8	$ 4 5/8
Third Quarter.....	$ 8 1/8	$ 5 9/16
Fourth Quarter....	$ 8 1/4	$ 6 1/16
Fiscal Year Ended January 3, 1999:		
First Quarter.....	$ 8 15/16	$ 6 7/8
Second Quarter....	$ 8 7/8	$ 7
Third Quarter.....	$ 8 9/16	$ 3 3/8
Fourth Quarter....	$ 5 3/16	$ 2 13/16
Fiscal Year Ending January 3, 2000:		
First Quarter.....	$ 4 1/8	$ 3
Second Quarter....	$ 6 1/2	$ 2 7/8
Third Quarter (through August 10).....	$ 6 7/8	$ 3 15/16

On June 21, 1999, the last full trading day prior to the Company's announcement that it had engaged Lehman Brothers as its financial advisor, the closing sale price per share of Ekco Common Stock reported on the New York Stock Exchange was $4.50. On August 4, 1999, the last full trading day prior to announcement of the Offer, the closing sale price per share of Ekco Common Stock reported on the American Stock Exchange was $4.50. On August 10, 1999, the last full trading day before commencement of the Offer, the closing sale price per share of Ekco Common Stock reported on the American Stock Exchange was $6.75. See Section 10. STOCKHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE SHARES.

The Rights are currently attached to the outstanding Common Shares and may not be traded separately. If a Distribution Date occurs, the Rights could begin trading separately from the Common Shares. See Section 12. IN SUCH EVENT, STOCKHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION, IF ANY, FOR THE RIGHTS. Holders of Shares to which Rights are attached are required to tender one Right for each such Share tendered in order to effect a valid tender of such Share. Accordingly, if a Distribution Date occurs, stockholders who sell their Rights separately from their Shares to which Rights are attached and do not otherwise acquire Rights may not be able to satisfy the requirements of the Offer for a valid tender of such Shares.

7. CERTAIN INFORMATION CONCERNING THE COMPANY. The summary information concerning the Company in this Section 7 and elsewhere in this Offer to Purchase is derived from the 1998 Annual Report, the 1997 Annual Report and other publicly available information. The summary information set forth below is qualified in its entirety by reference to such reports (which may be obtained and inspected as described below) and should be considered in conjunction with the more comprehensive financial and other information in such reports and other publicly available reports and documents filed by the Company with the Commission and other publicly available information. Although the Purchaser does not have any knowledge that would indicate that any statements contained herein based upon such reports are untrue, the Purchaser does not assume any responsibility for the accuracy or completeness of the information contained therein, or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of any such information but which are unknown to the Parent and the Purchaser.

GENERAL. The Company was incorporated in Delaware in 1968. The current business of the Company was established in 1987 through the Company's purchase of Ekco Housewares, Inc. The Company's principal executive offices are located at 98 Spit Brook Road, Suite 102, Nashua, New Hampshire.

The Company is a manufacturer and marketer of branded consumer products, including household items such as bakeware, kitchenware, pantryware, brooms, brushes and mops, as well as non-poisonous and low-toxic household pest control products and small animal care and control products. In addition, the Company also markets pet products, such as ropes, chains, collars and leashes.

FINANCIAL INFORMATION. Set forth below are certain selected consolidated financial data for the Company's last five fiscal years which were derived from the 1998 Annual Report and the 1997 Annual Report. More comprehensive financial information is included in the reports (including management's discussion and analysis of financial condition and results of operations) and other documents filed by the Company with the Commission, and the following financial data are qualified in their entirety by reference to such reports and other documents including the financial information and related notes contained therein. Such reports and other documents may be examined and copies thereof may be obtained from the offices of the Commission and the American Stock Exchange in the manner set forth below.

EKCO GROUP, INC.
SELECTED CONSOLIDATED FINANCIAL DATA
(IN THOUSANDS, EXCEPT FOR PER SHARE AMOUNTS)

	FISCAL YEAR ENDED JANUARY 3				
	1998(1)	1997	1996	1995	1994
Consolidated Statement of Operations Data					
Net revenues from continuing operations	$ 328,948	$ 270,536	$ 249,870	$ 247,004	$ 233,527
Cost of sales	222,555	181,307	164,505	160,933	148,935
Selling, general and administrative expenses	72,748	60,915	59,737	49,152	48,286
Special charges (2)	16,245	783	9,877	--	--
Amortization of excess of cost over fair value	4,221	3,631	3,636	3,636	3,637
Net interest expense	14,084	11,636	12,416	13,493	12,491
Income (loss) from continuing operations before income taxes and extraordinary charge	(905)	12,264	(301)	19,790	20,178
Income taxes	6,527	6,247	2,370	9,828	9,102
Income (loss) from continuing operations before extraordinary charge(3)	(7,432)	6,017	(2,671)	9,962	11,076
Earnings (loss) from continuing operations per common share before extraordinary charge(3)(4)					
Basic	(.38)	.32	(.14)	.54	.62
Diluted	(.38)	.29	(.14)	.49	.54
Other Financial Data					
EBITDA before special charges (5)	$ 45,731	$ 40,875	$ 39,609	$ 50,896	$ 48,511
Cash dividends per common share and Series B ESOP Convertible Preferred Share	--	--	.02	.08	--

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(1) Includes operations of Aspen Pet Products, Inc. acquired during January 1998.

(2) See Note 17 of Notes to Consolidated Financial Statements for information on special charges.

(3) During Fiscal 1996, the Company recorded an extraordinary charge of $3.2 million (net of income tax benefit of $2.1 million) for the early extinguishment of long-term obligations.

(4) In December 1997 retroactive to January 1, 1997, the Company adopted Financial Accounting Standards Board Statement No. 128, "Earnings Per Share" ("FAS 128"). All previously reported earnings per share information has been restated to reflect the impact of adopting FAS 128.

(5) EBITDA before special charges represents earnings from continuing operations before special charges, interest, taxes, depreciation, amortization of excess of cost over fair value and other amortization. The Company has included information concerning EBITDA because it believes that EBITDA is used by certain investors as one measure of a company's historical ability to fund operations and meet its financial obligations. EBITDA should not be considered as an alternative to, or more meaningful than, operating income (loss) or net income (loss) in accordance with generally accepted accounting principles as an indicator of the Company's operating performance or cash flow as a measure of liquidity.

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)	FISCAL YEARS 1998(1)	1997	1996	1995	1994
Consolidated Balance Sheet Data					
Current assets	$ 157,126	$ 150,142	$ 139,377	$ 139,425	$ 145,290
Total assets	318,240	300,805	292,076	301,058	312,518
Current liabilities	59,089	49,674	49,734	54,618	45,973
Long-term obligations, less current portion	136,136	124,270	124,182	96,700	124,460
Series B ESOP Convertible Preferred Stock, net	3,868	4,399	4,098	3,458	3,096
Stockholders' equity	108,324	109,994	102,515	135,925	129,116
Common shares outstanding	19,065	19,066	18,580	18,414	18,069

(AMOUNTS IN THOUSANDS, EXCEPT PERCENTAGES)	FISCAL YEARS 1998		1997		1996	
Bakeware	$ 94,916	28.8%	$ 89,957	33.3%	$ 86,709	34.7%
Kitchenware	105,988	32.2%	88,972	32.9%	74,296	29.7%
Cleaning products	53,873	16.4%	56,043	20.7%	54,248	21.7%
Pest control and small animal care and control products	41,327	12.6%	35,564	13.1%	34,617	13.9%
Pet products	32,844	10.0%	--	--	--	--
Total net revenues	$ 328,948	100.0%	$ 270,536	100.0%	$ 249,870	100.0%

The Shares are registered under the Exchange Act. Accordingly, the Company is subject to the informational filing requirements of the Exchange Act and in accordance therewith is obligated to file periodic reports, proxy statements and other information with the Commission relating to its business, financial condition and other matters. Information as of particular dates concerning the Company's directors and officers, their remuneration, options granted to them, the principal holders of the Company's securities and any material interest of such persons in transactions with the Company is required to be disclosed in such proxy statements and distributed to the Company's stockholders and filed with the Commission. Such reports, proxy statements and other information should be available for inspection at the public reference facilities of the Commission located in Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and should also be available for inspection and copying at prescribed rates at the regional offices of the Commission located at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and Seven World Trade Center, Suite 1300, New York, New York 10048. Such reports, proxy statements and other information may also be obtained at the Web site that the Commission maintains at http://www.sec.gov. Copies of this material may also be obtained by mail, upon payment of the Commission's customary fees, from the Commission's principal office at 450 Fifth Street, N.W., Washington, D.C. 20549. In addition, such material should also be available for inspection at the library of the American Stock Exchange, 86 Trinity Place, New York, NY 10006. Except as otherwise noted in this Offer to Purchase, all of the information with respect to the Company set forth in this Offer to Purchase has been derived from publicly available information.

8. CERTAIN INFORMATION CONCERNING THE PURCHASER, THE PARENT AND BORDEN

THE PURCHASER. The Purchaser is a newly formed Delaware corporation organized at the direction of the Parent in connection with the Offer and the Merger. The address of the Purchaser is 2711 Centerville Road, Suite 202, One Little Falls Centre, Wilmington, Delaware 19808.

THE PARENT. The Parent is a Delaware corporation that was incorporated in February 1998. The Parent owns approximately 89% of the stock of CCPC Holding Company, Inc. CCPC Holding Company, Inc. owns 100% of the stock of Corning Consumer Products Company, a business founded in 1915, which is a leading manufacturer and marketer of oven/bakeware, dinnerware and rangetop cookware. The Parent

is an affiliate of Borden. The Parent's principal office is located at 2711 Centerville Road, Suite 202, One Little Falls Centre, Wilmington, Delaware 19808. The telephone number of the Parent at such office is 302-633-7800.

BORDEN. Borden is a New Jersey corporation that was incorporated on April 24, 1899. Borden is engaged primarily in manufacturing, processing, purchasing and distributing a broad range of products through its specialty chemicals, consumer adhesives and infrastructure management services lines of business. Borden's principal executive offices are located at 180 East Broad Street, Columbus, Ohio 43215. The telephone number of Borden at such offices is (614) 225-4000. Borden has guaranteed certain of the Parent's and the Purchaser's obligations under the Merger Agreement. Set forth below are certain selected consolidated financial data relating to Borden and its subsidiaries for Borden's last five fiscal years and the periods ended June 30, 1999 and June 30, 1998 which have been derived from the financial statements contained in Borden's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 and Borden's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999. More comprehensive financial information is included in the reports (including management's discussion and analysis of financial condition and results of operations) and other documents filed by Borden with the Commission, and the following financial data is qualified in its entirety by reference to such reports and other documents, including the financial information and related notes contained therein.

BORDEN, INC.
FIVE YEAR SELECTED FINANCIAL DATA
(ALL DOLLAR AND SHARE AMOUNTS IN MILLIONS, EXCEPT PER SHARE DATA)

The following represents five year selected financial data for Borden

	FOR THE YEARS				
	1998	1997	1996	1995	1994
Net Sales	$ 1,399.7	$ 1,487.7	$ 2,388.0	$ 2,902.1	$ 3,270.4
Income (loss) from continuing operations	23.6	17.2	44.7	(428.2)	(505.0)
(Loss) income applicable to common stock	(11.1)	147.6	(333.1)	(424.9)	(597.7)
Basic and diluted income (loss) per common share from continuing operations	0.12	0.09	0.23	(2.22)	(3.51)
Basic and diluted (loss) income per common share	(0.06)	0.74	(1.67)	(2.21)	(4.16)
Dividends per share					
Common share	0.30	0.26	0.08		0.25
Preferred series A	3.00	3.00	3.13	2.39	
Preferred series B					1.32
Average number of common shares outstanding during the year	199.0	199.0	199.0	192.3	143.7
FINANCIAL STATISTICS					
Total Assets	$ 2,012.2	$ 2,175.3	$ 2,490.0	$ 3,207.9	$ 3,670.0
Long-term debt	552.0	788.3	567.2	1,200.1	1,368.0
Operating EBITDA(1)	191.3	138.4	277.7	(148.3)	0.2

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(1) Operating EBITDA represents net income (loss), excluding discontinued operations, non-operating income and expense, interest, taxes, depreciation and amortization. Operating EBITDA is presented because management understands that such information is considered by certain investors to be an additional basis for evaluating the ability to pay interest and repay debt. Operating EBITDA should not be considered an alternative to measures of operating performance as determined in accordance with generally accepted accounting principles, including net income, as a measure of operating results and cash flows or as a measure of liquidity. Because operating EBITDA is not calculated identically by all companies, the presentation herein may not be comparable to other similarly titled measures of other companies.

BORDEN, INC.
SELECTED FINANCIAL DATA FOR THE SIX MONTHS ENDING JUNE 30, 1999
UNAUDITED
(ALL DOLLAR AND SHARE AMOUNTS IN MILLIONS, EXCEPT PER SHARE DATA)

The following represents selected financial data for the six months ended June 30, 1999 and June 30, 1998 for Borden.

	CONSOLIDATED SIX MONTHS ENDED	
	JUNE 30, 1999	JUNE 30, 1998
SUMMARY OF EARNINGS		
Net sales	$ 650.8	$ 735.5
Income (loss) from continuing operations	35.9	20.3
Income (loss) applicable to common stock	(.4)	11.7
Income (loss) per common share from continuing operations	$ 0.18	$ 0.10
Income (loss) per common share	0.18	0.24
Dividends Per Share		
Common share	$ 0.12	0.17
Preferred share	1.50	1.50
Average number of common shares outstanding during the year	199.0	199.0
FINANCIAL STATISTICS		
Total assets	$ 1,964.7	$ 2,164.4
Long-term debt	541.4	553.5

Borden is subject to the informational filing requirements of the Exchange Act and in accordance therewith is obligated to file periodic reports and other information with the Commission relating to its business, financial condition and other matters. Such reports and other information should be available for inspection at the public reference facilities of the Commission located in Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and should also be available for inspection and copying at prescribed rates at the regional offices of the Commission located at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and Seven World Trade Center, Suite 1300, New York, New York 10048. Such reports and other information may also be obtained at the Web site that the Commission maintains at http://www.sec.gov. Copies of this material may also be obtained by mail, upon payment of the Commission's customary fees, from the Commission's principal office at 450 Fifth Street, N.W., Washington, D.C. 20549. The financial statements set forth in Item 1 of Borden's Quarterly Report on Form 10-Q for the period ended June 30, 1999 and in Item 8 of Borden's Annual Report on Form 10-K for the year ended December 31, 1998 are incorporated herein by reference.

The name, citizenship, business address, present principal occupation or employment and five year employment history of each of the directors and executive officers of the Purchaser, Parent and Borden are set forth on Schedule I hereto.

9. SOURCE AND AMOUNT OF FUNDS. The Purchaser will require approximately $164 million to (i) purchase the Shares (assuming all outstanding options and warrants are exercised) pursuant to the Offer and the Merger and (ii) pay fees and expenses to be incurred in connection with the completion of the Offer and the Merger. The Purchaser has not conditioned its obligation to accept for payment and pay for the Shares pursuant to the Offer on obtaining financing. All of the funds required to finance the foregoing will be furnished to the Purchaser by the Parent. Borden has guaranteed certain obligations of the Parent and the Purchaser under the Merger Agreement including the obligation to consummate the Offer. Borden currently intends to satisfy such obligations by lending or causing to be lent or contributed to the Parent or the Purchaser the funds required to

complete the Offer. The terms of any such loan have not been determined. Borden currently has sufficient cash on hand to provide such funds to the Parent. The Parent may, however, consider obtaining some portion of the required funds from other sources including other affiliates or third party financing.

10. BACKGROUND OF THE OFFER; CONTACTS WITH THE COMPANY. In August 1998, Borden's Chairman, C. Robert Kidder, met with the Company's Chairman, Malcolm L. Sherman, for lunch in Boston, Massachusetts. At this lunch, Mr. Kidder expressed Borden's interest in being considered as a potential partner if the Company were ever to explore strategic transactions in the future. No follow-up conversations occurred between the two executives.

On February 10, 1999, the Board of Directors of the Company held a regular meeting at which Mr. Sherman informed the Board of two unsolicited contacts that Mr. Sherman had received from parties unaffiliated with the Parent who might be interested in exploring possible transactions with the Company, including sale transactions. Mr. Sherman informed the Board that the contacts were very preliminary in nature, and that no specific proposals had been made.

In late 1998 and early 1999, Mr. Sherman and Donato A. DeNovellis, the Company's Chief Financial Officer, each attended meetings with senior management of a consumer products company unaffiliated with the Parent (the "Other Consumer Products Company"). At these meetings, the issue of a possible business combination between the Other Consumer Products Company and the Company was raised, but no specific proposals were made. Mr. Sherman subsequently informed the Board of the details of these meetings.

In the latter half of March 1999, Mr. Sherman had discussions with members of the Board of Directors of the Company regarding the advisability of exploring strategic alternatives for the Company's business, including the retention of investment bankers to provide guidance on the valuation of the Company and to establish a confidential process to solicit indications of interest from third parties regarding the Company.

Based on those discussions, on April 16, 1999, the Company retained Lehman Brothers to explore strategic alternatives, including contacting third parties on a confidential basis to solicit indications of interest in the Company. Lehman Brothers promptly began to contact potentially interested parties including the Parent and the aforementioned consumer products company to determine interest levels regarding the Company and to execute confidentiality agreements with interested parties.

On April 26, 1999, the Company issued a press release indicating that the results for its fiscal 1999 first quarter were below security analyst expectations and that it anticipated second quarter results would also be below previous security analyst expectations.

On May 10, 1999, the Company received an unsolicited indication of interest from the Other Consumer Products Company regarding a possible acquisition transaction with the Company. The proposal was subject to a number of conditions.

On May 11, 1999, the Company's Board met telephonically to discuss the proposal. Representatives of Lehman Brothers and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., the Company's outside general counsel, were asked to participate in the meeting. After a discussion of the proposal, the Board directed Lehman Brothers and Mintz Levin to assist it in the evaluation of the proposal, including the preparation of a valuation analysis of the Company to be presented to the Board at its regularly scheduled meeting on May 25, 1999. The Board instructed Mr. Sherman to inform the Other Consumer Products Company that the Board would consider and respond to it promptly after its May 25, 1999 Board meeting and to encourage it to sign a confidentiality agreement and become part of the process that the Board had established. The Board also received an update from Lehman Brothers on strategic alternatives and discussed, and gave guidance to Lehman Brothers on, the process that it was establishing to identify, contact and engage potentially interested parties. Lehman Brothers reported that it had contacted a significant number of potentially interested parties and had signed several parties to confidentiality agreements, including Parent, on May 3, 1999.

Following the May 11, 1999, Board of Directors meeting, Lehman Brothers encouraged the investment bankers retained by the Other Consumer Products Company to cause their client to enter into a confidentiality agreement in order to receive access to management and the Company's data room, because the Company wanted all interested parties to be equally informed and have the best possible information on which to evaluate a possible transaction with the Company. On May 17, 1999, the Company entered into a confidentiality agreement with the Other Consumer Products Company.

On May 18, Lehman Brothers and Mr. DeNovellis met with Kevin Kelley and John Muller of Borden in Boston, Massachusetts. At that meeting Lehman Brothers described a process for a possible sale of the Company.

On May 25, 1999, the Board of the Company held a regularly scheduled meeting. Lehman Brothers and Mintz Levin participated by invitation. At the meeting, Lehman Brothers presented its preliminary analysis of the value of the Company and the Other Consumer Products Company proposal received on May 10, 1999. After extensive discussion by the Board regarding Lehman Brothers' analysis and the proposal, Lehman Brothers advised the Board of its work to date regarding strategic alternatives and the progress of that process. The Board authorized Lehman Brothers to continue the process to identify interested parties and authorized the Company to meet with those parties that had signed confidentiality agreements and to provide access to the due diligence data room established for all such interested parties. Given the significant number of participants in the process and the valuation analysis conducted by Lehman Brothers, the Board instructed management to respond to the Other Consumer Products Company that its proposal, in its then-current form, was not acceptable to the Company's Board.

During May, Lehman Brothers continued to contact potentially interested parties, sign certain of such parties to confidentiality agreements, and provided those that entered into such agreements with initial information packages which included financial and business information on the Company. Lehman also scheduled management presentations and access to the Company's data room. Mr. Sherman provided regular updates to the Board of Directors on the process.

In the first half of June, the parties that entered into confidentiality agreements were asked to supply initial indications of interest in the Company, and Lehman Brothers received preliminary proposals from seven parties, including Parent and the consumer products company.

On June 21, 1999, the Company's Board met and received an update on the process from Mr. Sherman. The Board was informed in detail about the preliminary proposals received from seven parties and about the timing and steps that would be taken to complete the process, which was scheduled for the end of July. After a discussion, the Board authorized management to continue the process as contemplated to seek final indications of interests from the various parties. Mr. Sherman also informed the Board that the Company had revised downward its financial forecast for the year downward and that it was being delisted from the New York Stock Exchange for failure to meet its continuing listing criteria, but that it was likely that the Company could move the listing to the American Stock Exchange.

The Company determined that circumstances warranted the publication of a press release that would disclose that the Company was engaged in an evaluation of strategic alternatives to maximize stockholder value and that it had retained Lehman Brothers to assist them. The Company disseminated such release on June 21, 1999. Lehman Brothers subsequently responded to inquiries from a number of parties regarding the process.

Between June 28, 1999 and July 23, 1999, five parties attended management presentations and conducted due diligence at the Company's data room, and certain of such parties conducted plant tours. During this time, the Other Consumer Products Company called Mr. Sherman indicating that it would like to preempt the process and make a firm bid. However, its preemptive bid was significantly below other indications of interest already received by the Company and was therefore declined. Lehman Brothers encouraged the Other Consumer Products Company, through its bankers, to remain in the process, which was scheduled to conclude at the end of July, and to re-bid at that time.

On July 7 and 12, 1999, certain members of Parent's management met with certain members of the Company's management and their advisors to conduct additional business due diligence. Parent also initiated further comprehensive legal and financial due diligence of the Company.

During the first half of July 1999, Lehman Brothers maintained contact with the interested parties or their advisors and made them aware that final bids would be due at 5:00 p.m. on July 29, 1999. During this time, it appeared that three parties would submit final bids, including Parent and the Other Consumer Products Company.

On July 21, 1999, Mintz Levin mailed a form of merger agreement to each of the three remaining parties in the process, indicating that the guidelines for submitting final bids would require submission of a markup of the agreement.

On July 26, 1999, Lehman Brothers sent a letter to the three remaining parties in the process inviting them to submit an offer for the acquisition of the Company, along with procedures and guidelines for the submission of such offer. The guidelines provided that all offers were to be received by 5:00 p.m. Eastern Time on Thursday, July 29, 1999.

Lehman Brothers received offers from Parent and the Other Consumer Products Company on July 30 and July 29, respectively. Each party also supplied proposed revisions to the merger agreement. The third interested party did not submit a final offer.

By letter dated July 29, 1999, the Other Consumer Products Company offered to acquire the Company pursuant to an all cash tender offer to be commenced promptly after the execution of a merger agreement. The offer was fully financed, but was subject to confirmatory due diligence and had a per share price below the price offered by Parent.

By letter dated July 30, 1999, Parent submitted a proposal to acquire the Company at a per share price of $6.50 pursuant to an all cash tender offer to be commenced promptly after execution of a merger agreement. The offer was fully financed but subject to a number of conditions, including satisfaction of the treatment of the Company's ESOP preferred stock and outstanding options and warrants, satisfactory review of the Company's Year 2000 compliance implementation plan, understanding of data relating to customer profitability and satisfactory calls with Company customers. The offer was also subject to the successful completion of a tender offer for the Company's outstanding 9 1/4% Senior Notes.

During the period from July 29, 1999 through August 1, 1999, Mr. Sherman had discussions with various Board members about the final offers in anticipation of a scheduled board meeting on August 3, 1999. As a result of those calls, it was determined that the Company and its advisors should meet with both Parent and the Other Consumer Products Company as soon as possible in order to attempt to eliminate any conditions to the offers, resolve contractual issues on the forms of merger agreements and determine whether, with two bidders, Parent or the Other Consumer Products Company might increase the price of its offer.

On Sunday, August 1, 1999, Lehman Brothers separately contacted the investment bankers representing Parent and the Other Consumer Products Company to inform them that the Company was requesting that they meet with representatives of the Company, Mintz Levin and Lehman Brothers on Monday in the offices of Mintz Levin in Boston, Massachusetts. The parties were informed that the Company was not prepared to engage in exclusive negotiations at this time.

On Monday, August 2, 1999, Parent and its legal and financial advisors and the Other Consumer Products Company and its legal and financial advisors arrived in Boston and commenced negotiations with separate groups consisting of representatives of the Company and its financial and legal advisors. The Other Consumer Products Company and its advisors were only prepared to remain in Boston through 5:00 p.m. on Monday, August 2, 1999 but indicated a willingness to return on Wednesday, August 4, 1999. During the period from Monday, August 2, 1999 through Wednesday, August 4, 1999, Parent and its legal advisors and financial advisors met continuously with the Company and its legal advisors and financial advisors to negotiate the terms of the merger agreement and a proposed debt tender. During these

discussions, the Parent agreed to drop its demand that the debt tender offer be a condition to the closing of the Offer and also satisfied itself with respect to the other conditions set forth in its bid letter.

On Tuesday, August 3, 1999, the Board of Directors convened to assess the outcome of the strategic alternatives process, to consider the terms of the two proposed transactions and to review in detail the merger agreements and the terms of the tender offer of each party. At the meeting, Lehman Brothers presented a detailed presentation of its assessment of the strategic alternatives process and an update how the process resulted in the two offers to purchase the Company. The Company's legal advisors described in detail the respective terms of the two merger agreements and the transactions contemplated thereby. The Board asked detailed questions with respect to the merits of the two proposals. The Company's legal advisors also advised the Board on its duties in considering the two proposals. The Board expressed concerns about various aspects of the Other Consumer Products Company's bid, including certainty of closing and price. Representatives of Lehman Brothers indicated that they would attempt to increase the prices offered by each of the parties but believed that the price offered by Parent would continue to be higher than the price offered by the Other Consumer Products Company. The Board considered Parent's request to enter into exclusive negotiations with it. Although the Board did not grant the request for exclusive negotiations, it authorized management to focus its efforts on attempting to reach a satisfactory agreement with Parent at a higher price than the $6.50 originally offered.

On August 4, 1999, Parent increased its offer to $7.00 per share. In addition, during the evening of August 3, 1999 and during the day of August 4, 1999, many of the contractual issues between the Parent and the Company were resolved. During the afternoon of August 4, 1999, the Company's Board convened again and held a special meeting both in person and via teleconference, in which all the members of the Board were present. Lehman Brothers made a presentation regarding certain financial analyses it had performed in connection with its review of Parent's increased offer, and rendered its opinion, both orally and in writing, that subject to certain assumptions and qualifications, the consideration to be received by the holders of the Company's common stock (other than Parent and its affiliates) in the Offer and Merger pursuant to the merger agreement was fair to such holders from a financial point of view. Lehman Brothers also reviewed its discussions with the consumer products company. They informed the Board that the Other Consumer Products Company had not shown a willingness to increase its price sufficiently. Representatives of Mintz Levin presented the Board with an update of various legal aspects of the transactions and an updated summary of the principal terms of the merger agreements. At the conclusion of this meeting, the Company's Board decided to accept the Parent's offer and unanimously approved the Offer, the Merger and the transactions contemplated thereby and determined that the Offer, and the Merger are fair to and in the best interests of the stockholders of the Company, and recommended that the stockholders accept the Offer and tender their shares pursuant thereto.

In the early morning on August 5, 1999, the merger agreement was executed and a joint press release was issued by the Company and the Parent before the opening of the U.S. stock markets on that date announcing such transaction.

11. THE MERGER AGREEMENT; GUARANTEE. The following is a summary of the Merger Agreement, which summary is qualified in its entirety by reference to the copy thereof filed as an exhibit to the Tender Offer Statement on Schedule 14D-1.

THE MERGER AGREEMENT

THE OFFER. The Merger Agreement provides that no later than five business days after the initial public announcement of the Purchaser's intention to commence the Offer, the Parent will cause the Purchaser to, and the Purchaser will, commence the Offer. The parties to the Merger Agreement have agreed in the Merger Agreement that the obligations of the Purchaser to accept for payment and pay for Shares tendered pursuant to the Offer will be subject only to the satisfaction or waiver of the conditions described in Section 15 hereof, including the Minimum Condition. Under the Merger Agreement, the Purchaser expressly reserves the right, in its sole discretion, to waive any such condition (other than the

Minimum Condition), provided, that, without the prior written consent of the Company, the Purchaser will not (i) decrease the amount to be paid per share in the Offer to below $7.00 (ii) reduce the minimum number of Shares to be purchased in the Offer, (iii) change the form of the consideration payable in the Offer (other than by adding consideration), (iv) add to, modify or supplement the conditions to the Offer described in Section 15 hereof, (v) extend the expiration date of the Offer beyond September 8, 1999, except as expressly provided in the Merger Agreement or (vi) make any other change in the terms or conditions of the Offer which is materially adverse to the holders of Shares, it being agreed that a waiver by the Purchaser of any condition in whole or in part (other than the Minimum Condition) at any time and from time to time in its discretion shall not be deemed to be materially adverse to any holder of Shares. The Merger Agreement provides that if the Purchaser does not consummate the Offer on the Initial Expiration Date due to the failure of one or more conditions to be satisfied, the Purchaser shall extend the Offer (on one or more occasions) beyond the Initial Expiration Date until the earlier of (i) 11:59 p.m. New York time on October 4, 1999 or (ii) two business days after such time as such conditions are satisfied or waived, PROVIDED that the Purchaser shall not be obligated to extend the Offer pursuant to this sentence if the condition that has not been satisfied is not reasonably capable of being satisfied at or prior to the time referred to in (i) above. The Merger Agreement also provides that if the Purchaser does not consummate the Offer, on or prior to October 4, 1999 due to the failure of one or more conditions to be satisfied, and if such condition or conditions are reasonably capable of being satisfied, the Purchaser shall, at the request of the Company, extend the Offer (on one or more occasions) until the earlier of (i) December 3, 1999 or (ii) two business days after such time as such conditions are satisfied or waived. The Merger Agreement also provides that if the Purchaser does not consummate the Offer, on or prior to October 4, 1999 due to the failure of one or more conditions to be satisfied, and if such condition or conditions are reasonably capable of being satisfied, the Purchaser may extend the Offer (on one or more occasions) until the earlier of (i) December 2, 1999 or (ii) until February 1, 2000 if the Offer shall not have been consummated solely due to the failure of the HSR Act Condition to be satisfied. Under the Merger Agreement, the Purchaser has the right to extend the Offer (on one or more occasions) for not more than fifteen business days beyond the Expiration Date notwithstanding the prior satisfaction of the conditions described in Section 15 hereof if less than 90% of the outstanding Shares have been validly tendered and not properly withdrawn pursuant to the Offer; provided that if Purchaser shall extend the Offer pursuant to the 15 Day Right, Purchaser shall waive during such 15 business days all conditions set forth in Section 15 hereof other than the Minimum Condition and the conditions set forth in paragraph (a), (b) and (d) in Section 15 hereof. None of the foregoing shall prevent Purchaser from exercising its 15 Day Right. The Merger Agreement provides that the Parent will provide or cause to be provided to the Purchaser on a timely basis the funds necessary to purchase Shares pursuant to this Offer. The Merger Agreement further provides that the Purchaser may, at any time, transfer or assign to the Parent or to one or more corporations, 80% or more of the outstanding capital stock of which is directly or indirectly owned by Parent, the right to purchase all of the Shares tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Parent or the Purchaser of its obligations with respect to the Offer or prejudice the rights of tendering stockholders to receive payment for Shares validly tendered and accepted for payment in the Offer.

COMPANY BOARD REPRESENTATION. The Merger Agreement provides that, promptly upon purchase by the Purchaser of Shares pursuant to the Offer, the Purchaser will be entitled to designate up to such number of directors, rounded up to the next whole number, as will give the Purchaser representation on the Board of Directors of the Company (the "Board") equal to the product of the total number of directors on the Board (giving effect to the directors elected pursuant to this sentence) multiplied by a percentage that the aggregate number of Shares beneficially owned by Purchaser or any affiliate of Purchaser bears to the total number of Shares outstanding, and the Company will, at such time, promptly take all action necessary to cause the Purchaser's designees to be so elected including either increasing the size of the Board or securing the resignation of incumbent directors or both. In addition, at such time, the Company shall cause the persons designated by Purchaser to constitute the same percentage as is on the Board of (i) each committee on the Board, (ii) each board of directors of each domestic subsidiary of the

Company and (iii) each Committee of such board, in each case only to the extent permitted by law. Notwithstanding the foregoing. Following the election of the Purchaser's designees to the Board, until the Effective Time, (i) the Purchaser will only be entitled to designate up to that number of directors that is one less than the total number of directors on the Board regardless of the total number of such directors, and the Board will have at least one director who was a director on August 5, 1999 (provided that the Company will cause there to be at least three directors), (ii) any amendment to the Merger Agreement adverse to the Company, its stockholders, directors, officers or employees, termination of the Agreement by the Company, amendment of the indemnification or exculpation provisions of the certificate of incorporation or by-laws of the Company in effect on August 5, 1999, extension of time for the performance of the Parent's or the Purchaser's obligations under the Merger Agreement, waiver of any Purchaser, or any waiver or exercise of the Company's or its stockholders' rights, remedies or benefits under the Merger Agreement will require (in addition to the approval of the Board as a whole) the approval of a majority of the directors, or of the director of the Company then in office who was or were director(s) on August 5, 1999, and (iii) the Parent will cause the Purchaser not to, and the Purchaser will not take any action to cause its designees to constitute a greater number of directors that provided in the Merger Agreement. The Merger Agreement further provides that the Company's obligations to appoint designees to its Board of Directors will be subject to Section 14(f) of the Exchange Act and Rule 14f-1 thereunder.

THE MERGER. The Merger Agreement provides, upon the terms and subject to the conditions thereof, at the Effective Time and in accordance with the DGCL, the Purchaser will be merged with and into the Company. As a result of the Merger, the separate corporate existence of the Purchaser will cease and the Company will continue as the Surviving Corporation. The Merger Agreement provides that at Parent's election, the Merger may alternatively be structured so that the Company is merged with and into Purchaser or any other direct or indirect subsidiary of Parent or any direct or indirect subsidiary of Parent other than Purchaser is merged with and into the Company, provided that no such change shall change the consideration to be issued to holders of Shares, materially impede or delay consummation of the Merger or release Parent or Purchaser from any of its obligations under the Merger Agreement.

The Merger Agreement provides that the certificate of incorporation of the Company shall be amended to read in its entirety as set forth as an exhibit to the Merger Agreement. The certificate of incorporation of the Company, as so amended, shall be the certificate of incorporation of the Surviving Corporation until thereafter amended as provided by law. At the Effective Time, the by-laws of the Purchaser will be the by-laws of the Surviving Corporation and until thereafter altered, amended or repealed as provided by law. The Merger Agreement provides that the directors of the Purchaser immediately prior to the Effective Time will be the initial directors of the Surviving Corporation and the officers of the Company immediately prior to the Effective Time will be the initial officers of the Surviving Corporation, each to hold office in accordance with the laws of the state of Delaware, the certificate of incorporation and by-laws of the Surviving Corporation and until their respective successor shall be duly elected or appointed and qualified.

At the Effective Time, (i) each Common Share issued and outstanding immediately prior to the Effective Time (other than Common Shares owned by the Company and Common Shares owned by the Parent, the Purchaser or any other direct or indirectly wholly-owned subsidiary of the Parent or the Purchaser, which shall be cancelled, and other than Common Shares, if any (collectively, "Dissenting Shares"), held by stockholders who have properly exercised appraisal rights under Section 262 of the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the Shares be cancelled, extinguished and converted into and become a right to receive $7.00 in cash (the "Merger Consideration"), payable to the holder thereof, without interest, upon surrender of the certificate formerly representing such Common Share, less any required withholding taxes and (ii) each ESOP Preferred Share issued and outstanding immediately prior to the Effective Time (other than ESOP Preferred Shares owned by the Company and ESOP Preferred Shares owned by the Parent, the Purchaser or any other direct or indirectly wholly-owned subsidiary of the Parent or the Purchaser, which shall be cancelled, and other than

ESOP Preferred Shares, if any, held by stockholders who have properly exercised appraisal rights under Section 262 of the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the ESOP Preferred Shares be cancelled, extinguished and converted into and become a right to receive the amount of consideration that a holder of the number of Common Shares into which such ESOP Preferred Shares were convertible immediately prior to the Effective Time would be entitled to receive in the Merger), payable to the holder thereof, without interest, upon surrender of the certificate formerly representing such ESOP Preferred Share, less any required withholding taxes. All Shares that are owned by the Company (as treasury stock or otherwise) and all Shares owned by the Parent, the Purchaser or any direct or indirect wholly-owned subsidiary of the Parent or the Purchaser, if any, will be canceled and retired and cease to exist, and no cash or other consideration will be delivered in exchange therefore.

The Merger Agreement provides that Shares that are issued and outstanding immediately prior to the Effective Time and which are held by a stockholder who has not voted in favor of the Merger and who is otherwise entitled to demand and who properly demands appraisal for such Shares in accordance with Section 262 of the DGCL will not be converted into or exchangeable for the right to receive the Merger Consideration unless such holder fails to perfect or otherwise effectively withdraws or loses such holder's right to appraisal, if any. Such holders will be entitled to receive the appraised value of such Shares held by them in accordance with the provisions of Section 262 of the DGCL. If, after the Effective Time, such holder fails to perfect or loses its right to appraisal, each Share of such holder will be treated as if had been converted as of the Effective Time into the right to receive the Merger Consideration, without any interest thereon.

The Merger Agreement provides that each share of common stock of the Purchaser will be converted into one share of common stock of the Surviving Corporation.

The Merger Agreement provides that prior to the Effective Time, the Company shall use its commercially reasonable best efforts to cause each holder of each outstanding option to purchase Shares (an "Option") granted under the Company's 1987 Stock Option Plan or the Company's 1988 Directors' Stock Option Plan (collectively, the "Stock Option Plans"), whether or not such options are vested as at the date of the Merger Agreement, to execute and deliver to the Company, prior to the expiration of the Offer, an agreement under which such holder would agree, contingent upon the purchase of Shares by Purchaser pursuant to the Offer, to cause, immediately prior to the expiration of the Offer, such Options to be cancelled in exchange for a cash payment (the "Option Payment") equal to the aggregate amount that the undersigned would receive if each of the options had been tendered to the Purchaser pursuant to the terms of the Offer, less the payment of the exercise price of each Option and all withholding taxes attributable to such Option Payment. Notwithstanding the foregoing, the Company will cause the Chairman and Chief Executive Officer of the Company and all of the members of the Board to execute an Option Election in respect of all of their outstanding Options, prior to the consummation of the Offer, provided that if such election would result in a violation of Section 16 of the Exchange Act and Rule 16(b) promulgated thereunder ("Section 16"), then such election may be delayed until such time as it would not result in a violation of Section 16.

The Merger Agreement provides that the Company will use its commercially reasonable best efforts to terminate as of the Effective Time all stock or other equity based plans maintained with respect to the Shares and amend as of the Effective Time any other Plan providing for the issuance, transfer or, grant of any capital stock of the Company to provide that no further issuances, transfer or grants will be permitted as of the Effective Time, and use of its commercially reasonable best efforts to provide that, following the Effective Time, no holder of an Option or any participant in any Stock Option Plan will have any right thereunder to acquire any capital stock of the Company, the Parent and the Purchaser.

The Merger Agreement provides that prior to the Effective Time, the Company will use its commercially reasonable best efforts to provide that each outstanding warrant to purchase Shares, whether or not then vested or exercisable, will be exercisable for and entitle each holder thereof to, a payment in cash from the Surviving Corporation, upon exercise, equal to the product of (i) the number of Shares previously

subject to such warrant and (ii) the excess, if any, of the Merger Consideration over the exercise price per Share previously subject to such warrant. All applicable withholding taxes attributable to the payments made hereunder will be deducted from the amounts payable hereunder.

REPRESENTATIONS AND WARRANTIES. The Merger Agreement contains various customary representations and warranties of the parties thereto including, without limitation, representations and warranties by the Company as to the Company's organization and authorizations, capital stock, subsidiaries, noncontravention and consents, filings with the Commission, no material adverse change, legal proceedings, material contracts, subsequent events, inventories, taxes, commissions and fees, employee benefit plans, compliance with the law, intellectual property, insurance, real property, environmental matters, year 2000, absence of certain liabilities, takeover statute, the Rights Agreement, opinion of financial advisor, offer documents and stockholder vote required. Some of the representations are qualified by the limitation that, in order for the representation to have been breached, the event breaching the representation must have a Material Adverse Effect. A "Material Adverse Effect" as to the Company means any fact, event, change, circumstance or effect that is materially adverse to the business, assets, liabilities or condition (financial or otherwise) or results of operations of the Company and its subsidiaries, taken as a whole, other than any fact, event, change, circumstance or effect (i) relating to the industries for the Company's products or the general economy, or (ii) arising out of or resulting from entering into the Merger Agreement, the announcement thereof, or the consummation of the transactions contemplated thereby.

In addition, the Merger Agreement contains representations and warranties of the Parent and the Purchaser concerning their organization, authorizations of the agreement, noncontravention and consents, commissions and fees, no subsidiaries (with respect to the Purchaser), no prior activities (with respect to the Purchaser), offer documents, financing, legal proceedings and DGCL 203.

AGREEMENTS OF THE COMPANY, THE PARENT AND THE PURCHASER.

CONDUCT OF BUSINESS PENDING THE MERGER. Pursuant to the Merger Agreement, the Company has covenanted and agreed that, prior to the Effective Time, the Company and its subsidiaries will in all material respects conduct their operations according to their ordinary and usual course of business and consistent with past practice, and the Company shall use its commercially reasonable best efforts to preserve intact its business organization, keep available the services of its current officers and employees and preserve the goodwill of those having advantageous business relationships with it and its Subsidiaries. The Merger Agreement further provides that without limiting the generality of the foregoing, and except as expressly contemplated by the Merger Agreement, or as set forth in the Disclosure Schedules, neither the Company nor any of its subsidiaries will, without the prior written consent of the Parent:

(a) issue, deliver, sell, dispose of or pledge, or authorize or propose the issuance, delivery, sale, disposition or pledge of, additional Shares or any of its other securities or securities convertible into Shares or any other securities or equity equivalents (including, without limitation, stock appreciation rights), or any rights, warrants or options to acquire or enter into any arrangement or contract with respect to the issuance or sale of, any such shares, securities or other convertible securities, other than in connection with the exercise of Options or Warrants outstanding on July 4, 1999, pursuant to the Company's Dividend Reinvestment and Stock Purchase Plan, or upon conversion of the ESOP Preferred Shares, or make any other changes in its capital structure;

(b) split, combine, subdivide, reclassify or redeem, or purchase or otherwise acquire, directly or indirectly, or propose to do any of the foregoing with respect to, any of its capital stock or other securities;

(c) declare, pay, set aside or make any dividend or distribution on or payment with respect to the Shares or any other shares of its capital stock;

(d) except pursuant to agreements or arrangements in effect on the date hereof, purchase or otherwise acquire, sell or otherwise dispose of or encumber (or enter into any agreement to so purchase or otherwise acquire, sell or otherwise dispose of or encumber) any material amount of its properties or assets except in the ordinary course of business consistent with past practice or adopt a plan of complete or

partial liquidation or resolutions providing for or authorizing such a liquidation or a dissolution, merger, consolidation, restructuring, recapitalization or reorganization of the Company;

(e) adopt any amendments to its certificate of incorporation or bylaws;

(f) (i) increase the compensation or fringe benefits of any of its directors or officers or employees, except pursuant to the terms of agreements or plans currently in effect which increases, for each such individual, shall not exceed five percent (5%) of each such individual's annual rate of compensation; (ii) pay or agree to pay any pension, retirement allowance or other employee benefit not required or permitted by any existing plan, agreement or arrangement to any director or officers; (iii) commit itself to any additional pension, profit-sharing, bonus, extra compensation, incentive, deferred compensation, stock option, stock appreciation right, group insurance, severance pay, retirement or other employee benefit plan, agreement or arrangement, or to any employment or consulting agreement with or for the benefit of any director or officer, whether past or present; (iv) except as required by applicable law or as reported in the Company Disclosure Schedule, amend in any material respect any such material plan, agreement or arrangement; or (v) pay or agree to pay any discretionary severance amount;

(g) except in the ordinary course of business (i) incur any amount of indebtedness for borrowed money or issue any debt securities or assume, guarantee or endorse or otherwise become liable in respect of the obligations of any other person except for obligations of wholly-owned subsidiaries outstanding on the date hereof, (ii) make any loans, advances or capital contributions to, or investments in, any other person (other than to wholly-owned subsidiaries in the ordinary course of business consistent with past practice), (iii) pledge or otherwise encumber shares of capital stock of the Company or any of its subsidiaries, or (iv) mortgage or pledge any material amount of its assets, tangible or intangible, or create or suffer to exist any lien thereupon;

(h) (i) acquire (by merger, consolidation or acquisition of stock or assets) any corporation. partnership or other business organization or division, (ii) make any capital expenditure or commitments for additions to plant, property or equipment constituting capital assets except expenditures pursuant to commitments existing as of the date of this Agreement or as contemplated in its annual budget, (iii) change any assumption underlying, or method of calculating, any bad debt, contingency or other reserve or change any other material accounting principle or practice used by it (except changes that may be necessary or appropriate in order to comply with a change in generally accepted accounting principles that take effect after the date of the Merger Agreement), (iv) pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, contingent or otherwise) other than the payment, discharge or satisfaction of liabilities in the ordinary course consistent with past practice, (v) waive, release, grant or transfer any rights of a material value or modify or change in any material respect or renew any existing license, lease, contract or other document, (vi) make or change any tax election, make or change any method of accounting with respect to taxes, file any amended tax Return, or settle or compromise any proceeding with respect to any tax liability;

(i) engage in any transaction with, or enter into any agreement, arrangement, or understanding with, directly or indirectly, any of its affiliates, other than its subsidiaries, including, without limitation, any transactions, agreements, arrangements, or understandings with any affiliate or other person covered under Item 404 of Regulation S-K under the Securities Act that would be required to be disclosed under such Item 404;

(j) amend, modify or terminate any existing intellectual property license, execute any new intellectual property license, sell, license or otherwise dispose of, in whole or in part, any intellectual property, and/or subject any intellectual property to any encumbrance; or

(k) enter into any contract, agreement, commitment or arrangement with respect to, or resolve to do, any of the foregoing.

NO SOLICITATION OF TRANSACTIONS. The Merger Agreement provides that the Company will not, and will direct each affiliate officer, director, representative and agent of the Company and its affiliates not to

directly or indirectly, encourage, solicit, participate in or initiate discussions or negotiations with any corporation, partnership, person or other entity or group (other than Parent or an affiliate or an associate of Parent) or take any other action to facilitate, any inquiry or the making of any proposal or offer which constitutes, or may reasonably be expected to lead to, an offer or proposal for any merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company or any of its subsidiaries, or any purchase or sale of more than 15% of the assets (including stock of its subsidiaries) of the Company and its subsidiaries taken as a whole, or any purchase or sale of, or tender or exchange offer for, more than 15% of the equity securities of the Company or any of its subsidiaries (an "Acquisition Proposal") or furnish to any other person any information with respect to its business, properties or assets in connection with any of the foregoing, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other person to do or seek any of the foregoing. In addition, the Company will, and will cause each affiliate, officer, director, representative and agent to, immediately cease any existing discussions or negotiations, or other activities referred to in the immediately preceding sentence, with any person conducted heretofore with respect to any of the foregoing matters referred to in the immediately preceding sentence. Notwithstanding the foregoing, the Company may, (i) refer any party to Section 5.2 of the Merger Agreement, (ii) directly or indirectly, furnish information and access, in response to unsolicited requests therefor to any corporation, partnership, person or other entity or group that has made a Superior Proposal (as defined below) and to any investment banker, financial advisor, attorney, accountant or other representative retained by such party, pursuant to an appropriate confidentiality agreement and may participate in discussions and negotiations concerning any such Superior Proposal if the Board determines in its good faith judgment, after receiving and based upon advice from outside legal counsel, that such action is required to prevent the Board from breaching its fiduciary duties to the stockholders of the Company under Delaware law and (iii) to the extent applicable, comply with Rule 14e-2 or 14d-9 promulgated under the Exchange Act with regard to an Acquisition Proposal, subject in the case of clauses (ii) and (iii) to any rights of the Parent to terminate this Agreement and receive payment of any fee due under Article VII of the Merger Agreement as a result thereof. The Company will promptly notify the Parent orally and in writing if any unsolicited request for information and access in connection with a possible Acquisition Proposal involving such a party is made and shall, in any such notice to the Parent, indicate in reasonable detail the identity of the offeror and the terms and conditions of any proposal or offer, or any such inquiry or contact. As used in the Merger Agreement "Superior Proposal" means any bona fide written Acquisition Proposal made by a third party after the date of the Merger Agreement which, if consummated, will result in a transaction that, taking into account all legal, financial and regulatory aspects and consequences of the proposal and the person making such proposal, including the relative expected consummation date and the risk of non-consummation, is financially superior, is not subject to a financing contingency and is otherwise as favorable in all material respects to the Company's stockholders as the Offer and the Merger. The Merger Agreement also provides that the Company will not release any third party from, waive any provisions of, or fail to enforce any confidentiality or standstill agreement to which the Company is a party.

MEETING OF STOCKHOLDERS; PROXY STATEMENT. The Merger Agreement provides that if required by applicable law, the Company will take all necessary action to duly call, give notice of, convene and hold an annual or special meeting of stockholders ("Stockholders Meeting") as soon as practicable after the consummation of the Offer to consider and vote upon the Merger Agreement and the transactions contemplated thereby. At the Stockholders Meeting, the Parent and the Purchaser will cause all Shares then owned by them and their subsidiaries to be voted in favor of the approval and adoption of the Merger Agreement and the transactions contemplated thereby. If the Stockholders Meeting is called, the Company will prepare and file with the Commission a proxy statement (the "Proxy Statement") to be mailed to the stockholders of the Company in connection with the meeting of such stockholders to consider and vote upon the Merger (the "Stockholders Meeting") which will include the recommendation of the Board that the stockholders of the Company vote in favor of the approval and adoption of the Merger Agreement. As

soon as practicable following the consummation of the Offer, the Company will file the Proxy Statement with the Commission and use its reasonable best efforts to have the Proxy Statement cleared by the Commission. The Company, the Parent and the Purchaser will use their reasonable best efforts to respond promptly to all comments of and requests by the Commission and to cause the Proxy Statement and all required amendments and supplements thereto to be mailed to holders of Shares entitled to vote at the Stockholders Meeting at the earliest practicable time. The Merger Agreement provides that in the event that the Purchaser shall acquire at least 90% of the outstanding Shares in connection with the Offer, the Company will, at the request of the Purchaser, subject to Article VI of the Merger Agreement, take all necessary and appropriate action to cause the Merger to become effective as soon as reasonably practicable after such acquisition, without a meeting of the Company's stockholders, in accordance with Section 253 of the DGCL.

ACCESS TO INFORMATION; CONFIDENTIALITY. The Merger Agreement provides that subject to applicable law and the confidentiality agreement between the Company and Parent, dated May 3, 1999 (the "Confidentiality Agreement") will and will cause each of its subsidiaries and agents to (i) give the Parent and its representatives reasonable access, during regular business hours upon reasonable written notice, to all of the employees, properties, offices, facilities, books, records, files, correspondence, audits and officers of the Company and its subsidiaries, (ii) permit the Parent and its representatives to make such reasonable inspections of such employees, properties, offices, facilities, books, records, files, correspondence, audits and (iii) cause its officers and those of its subsidiaries to furnish the Parent with access to such financial and operating data and other information with respect to the business and assets of the Company and its subsidiaries as the Parent may from time to time reasonably request; provided, however, that such access does not unreasonably inhibit or hinder the business or operations of the Company or any of its subsidiaries. The Company will furnish promptly to the Parent and the Purchaser a copy of each report filed by it under the securities laws. Information obtained by the Parent or the Purchaser will be subject to the Confidentiality Agreement. In addition, the Company will provide the Parent promptly at the end of each month with such monthly financial data as is customarily prepared for its executive officers, including an income statement and statement of cash flows for such month and a balance sheet as of the end of such month.

HSR ACT AND FOREIGN COMPETITION LAWS. The Merger Agreement provides that the Parent and the Company will promptly make all filings required by them under the HSR Act and any applicable foreign competition laws with respect to the Offer, the Merger and the transactions contemplated by the Merger Agreement, and will cooperate with each other in connection with determining which filings are required to be made and which consents, approvals, permits or authorizations are required to be obtained from, any governmental entity and making all such filings and obtaining all such consents, approvals, permits or authorizations. The Parent and the Company will use their reasonable best efforts to obtain all permits, authorizations, consents, expiration or termination of waiting periods, and approvals from third parties and any governmental entity necessary to consummate the Offer, the Merger and the transactions contemplated by the Merger Agreement. The Merger Agreement also provides that for purposes of this covenant, the covenant REASONABLE BEST EFFORTS, condition (i) to CONDITIONS TO THE MERGER and clause (b) of TERMINATION; FEES AND EXPENSES and condition (a) described in Section 15 hereof ANNEX A, "reasonable best efforts" of the Parent will not require the Parent to agree to any prohibition, limitation, or other requirement which would prohibit or materially limit the ownership or operation by the Company or any of its subsidiaries, or by the Parent, the Purchaser or any of the Parent's subsidiaries of all or any material portion of the business or assets of the Company or any of its subsidiaries or the Parent or any of its material subsidiaries, or compel the Purchaser, the Parent or any of the Parent's subsidiaries to dispose of or hold separate all or any material portion of the business or assets of the Company or any of its subsidiaries or the Parent or any of its material subsidiaries. In addition, the Merger Agreement provides that the Company will not agree to any such prohibition, limitation, or other requirement without the prior written consent of the Parent.

ACCOUNTING METHODS. The Merger Agreement provides that the Company will not change its methods of accounting in effect at its most recent fiscal year end, except as required by changes in generally accepted accounting principles as concurred by its independent accountants.

PUBLIC DISCLOSURES. The Merger Agreement provides that the Parent and the Company will consult with each other and mutually agree before issuing any press release or otherwise making any public statement with respect to the Offer, the Merger and other transactions contemplated by the Merger Agreement, and will not issue any such press release or make any such public statement prior to such consultation and agreement except as may be required by applicable law or requirements of any exchange upon which the Shares or the shares of the Parent are traded, in which case the party proposing to issue such press release or make such public announcement will use its reasonable best efforts to consult in good faith with and obtain the approval of the other party before issuing such press releases or making any such public statements.

INDEMNIFICATION AND INSURANCE. The Merger Agreement provides that until the six year anniversary date of the Effective Time all rights to indemnification or exculpation now existing in favor of the present and former officers, directors, employees and other indemnified parties (the "Indemnified Parties") as provided in the Company's Certificate of Incorporation or by-laws or otherwise in effect on August 5, 1999 will survive the Merger and shall continue in full force and effect, and the Parent will cause the Surviving Corporation to, and the Surviving Corporation will, keep in effect all such indemnification and exculpation provisions to the fullest extent permitted under applicable law, which provisions shall not be amended, repealed or otherwise modified for such six-year period after the Effective Time, except as required by applicable law or except to make changes permitted by applicable law that would enlarge the exculpation or rights of indemnification thereunder. To the maximum extent permitted by the DGCL, such indemnification will be mandatory rather than permissive and the Surviving Corporation will advance expenses as incurred to the fullest extent permitted under applicable law in connection with such indemnification. In addition, the Merger Agreement also provides that for a period of six years after the Effective Time, the Parent will cause the Surviving Corporation and the Surviving Corporation will cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by the Company (or policies of at least the same coverage and amounts containing terms and conditions which are no less advantageous) with respect to claims arising from facts or events which occurred before the Effective Time and covering parties who are covered by such current insurance subject to certain conditions specified in the Merger Agreement. In the event the Parent or the Surviving Corporation or any of their successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of the Parent or the Surviving Corporation, as the case may be, or at the Parent's option, the Parent, shall assume such obligations.

REASONABLE BEST EFFORTS. The Merger Agreement provides that each of the parties thereto agrees to cooperate and use its reasonable best efforts to take, or cause to be taken, all necessary or appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations or otherwise to consummate and make effective the Offer, the Merger and all other transactions contemplated by the Merger Agreement including, without limitation, the execution of any additional instruments necessary to consummate the transactions contemplated hereby and seeking to lift, rescind or reverse any legal restraint imposed on the consummation of the transactions contemplated by this Agreement. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and directors of each party will take all such necessary action. In addition, the Merger Agreement provides that at the request of the Parent the Company will as soon as reasonably practicable after such request, commence a debt tender offer for its 9 1/4% Senior Notes due 2006 (the "Senior Notes") together with a solicitation of consents to amend the Senior Notes Indenture, dated as of March 25, 1996 and amended by a First Supplemental Indenture

dated January 16, 1998, between the Company and State Street Bank and Trust Company (successor to Fleet National Bank of Connecticut), as trustee (the "Senior Notes Indenture"; such amendment, the "Senior Notes Indenture Amendment"; and such debt tender offer and consent solicitation, collectively, the "Debt Offer") on the terms and conditions provided to the Company by the Parent. The Parent will pay all costs and expenses, including but not limited to legal fees incurred by the Company, incurred in connection with the Debt Offer. The Company will also use commercially reasonable best efforts to provide all necessary cooperation in connection with the arrangement and closing of any financing arranged or approved by the Parent or its affiliates, to be consummated contemporaneous with or at or after consummation of the Offer or the Effective Time in respect of the transactions contemplated by the Merger Agreement. The Parent will provide to the Company all necessary funds to purchase the Senior Notes pursuant to the Debt Offer which will be conditional upon the consummation of the Offer.

NOTICE OF SUBSEQUENT EVENTS. The Merger Agreement provides that each party will give the other party notice of the occurrence, or non-occurrence, of any event the respective occurrence, or non-occurrence, of which would be likely to cause any representation or warranty contained in the Merger Agreement to be untrue or inaccurate and any failure of a party to comply or satisfy any covenant, condition or agreement to be complied with under the Merger Agreement.

EMPLOYMENT; EMPLOYEE WELFARE. The Merger Agreement provides that the Surviving Corporation will maintain for a period of not less than one year following the Merger employee compensation and benefit plans, programs, policies and fringe benefits (including any post-employment benefits) as set forth in the Company Disclosure Schedule, and excluding those relating to equity securities of the Company, that are no less favorable than those provided to such employees of the Company and its subsidiaries, as applicable, under the plans as in effect immediately prior to the Closing (the "Existing Plans"), subject to the right to amend or terminate such Existing Plans in accordance with their terms, provided that after any such amendment or termination such programs, policies and fringe benefits continue to be, in the aggregate, substantially equivalent to the Existing Plans. In addition, for a period of not less than one year after the Merger the Surviving Corporation will provide to all Company employees severance pay and benefits, to the extent such pay and benefits are provided under the applicable severance plans, programs, agreements and policies of the Company and its subsidiaries as in effect immediately prior to the Merger and as are set forth on the Company Disclosure Schedule (the "Existing Severance Benefits") which are equivalent to such Existing Severance Benefits, subject to the right to amend or terminate such Existing Severance Benefits in accordance with their terms, provided that after any such amendment or termination such severance pay and benefits continue to be substantially equivalent to the Existing Severance Benefits. The Parent will credit the prior service of all employees of the Company and its subsidiaries for purposes of determining the eligibility, vesting or qualification of such employees under Existing Plans, Existing Severance Benefits and any successor plans and benefit programs. In addition, the Surviving Corporation will assume and honor in accordance with their terms all existing employment and severance agreements and arrangements which are set forth in the Company Disclosure Schedule. The Parent will reimburse or cause the Surviving Corporation to reimburse any director, officer or employee (or former director, officer or director) for all costs and expenses, including attorneys' fees, incurred by such person in successfully enforcing the provisions of this section of the Merger Agreement.

GUARANTEE OF PURCHASER'S OBLIGATIONS. The Merger Agreement provides that the Parent will guarantee the due and timely performance and observance by the Purchaser of all of its representations, warranties, covenants, agreements and obligations under this Agreement.

NO AMENDMENT TO THE RIGHTS AGREEMENT. The Merger Agreement provides that subject to applicable
law, the Company will not amend, modify or waive any provision of the Rights Agreement, and will not take any action to redeem the Rights or render the Rights inapplicable to any transaction other than the transactions to be effected pursuant to the Merger Agreement.

YEAR 2000 REMEDIATION PROGRAM. The Merger Agreement provides that promptly following the date thereof, the Company will retain Keane, Inc. or another third party consultant acceptable to the Parent to perform a Year 2000 Quality Assurance Review on the Company and its subsidiaries. The Company will, and will cause its subsidiaries, and employees and agents to cooperate in all material respects with such consultant and provide such consultant with reasonable access to its premises and personnel, and shall implement in a timely manner all reasonable recommendations of such consultant, unless the Company and the Parent agree otherwise. Promptly following the date of the Merger Agreement, the Company will implement a retention/stay bonus program for its Year 2000 implementation personnel and selected critical system users as reasonably directed by the Parent.

CONDITIONS TO THE MERGER. The Merger Agreement provides that the respective obligation of each party to effect the Merger is subject to the fulfillment, at or prior to the Effective Time, of each of the following conditions: (i) no governmental entity shall have issued an order or injunction or shall have enacted or promulgated any statute, rule or regulation which would prohibit or restrict consummation of the Merger; PROVIDED, HOWEVER, that if the foregoing has occurred, each party will use its reasonable best efforts to lift, rescind, cause to expire, terminate or ameliorate the effects of any such decree, Order, injunction, statute, rule or regulation; (ii) if required by applicable law, the Merger Agreement and the Merger shall have been approved and adopted by the requisite vote of the holders of the Shares; and (iii) the Purchaser or its permitted assignee shall have purchased all Shares validly tendered and not withdrawn pursuant to the Offer; PROVIDED, HOWEVER, that this condition shall not be applicable to the obligations of the Parent and the Purchaser if, in material breach of the Merger Agreement or the terms of the Offer, the Purchaser fails to purchase any Shares validly tendered and not withdrawn pursuant to the Offer. The conditions to the Merger set forth above are different from the conditions to the Offer which are set forth in Section 15.

TERMINATION; FEES AND EXPENSES. The Merger Agreement provides that it may be terminated at any time (upon written notice to the other parties to the Merger Agreement) prior to the Effective Time, whether before or after approval by the stockholders of the Company:

(a) by mutual written consent of the parties;

(b) by either the Parent or the Company if any governmental entity or court shall have issued a final and non-appealable order, or taken any other action, in each case having the effect of permanently restraining, enjoining or otherwise prohibiting the acceptance for payment of, or payment for, Shares pursuant to the Offer or the Merger (which the party seeking to terminate the Merger Agreement shall have used its reasonable best efforts to have lifted, rescinded, mitigated or reversed);

(c) by either the Parent or the Company if the consummation of the Offer shall not have occurred on or before December 3, 1999; PROVIDED that the right to terminate the Merger Agreement under this clause shall not be available to any party whose failure to fulfill any covenant, agreement or obligation under the Merger Agreement has been the cause of or resulted in the failure of the consummation of the Offer to occur on or before such date; and provided, further, that if the Offer or the Merger shall not have been consummated solely due to the waiting period (or any extension thereof) or approvals under the HSR Act or any applicable foreign competition laws not having expired or been terminated or received, then such date shall be extended to February 1, 2000;

(d) by the Parent if, due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in Section 15 hereof, the Purchaser shall have (i) failed to commence the Offer as required by the Merger Agreement, (ii) terminated the Offer without having accepted any Shares for payment thereunder, or (iii) failed to pay for the Shares validly tendered pursuant to the Offer in accordance with the terms thereof, unless such termination or failure to pay for Shares shall have been caused by or resulted from the failure of the Parent or the Purchaser to perform in any material respect any covenant or agreement of either of them contained in the Merger Agreement or the material breach by Parent or Purchaser of any representation or warranty of either of them contained therein;

(e) by the Parent (i) if, prior to the purchase of any Shares validly tendered pursuant to the Offer, the Board of the Company shall have withdrawn, modified or amended in any manner adverse to the Parent or the Purchaser its approval or recommendation of the Merger Agreement, the Offer or the Merger or shall have recommended another merger, consolidation or business combination involving, or acquisition of, the Company or its assets or another tender offer for Shares or shall have failed to reconfirm its recommendation of this Merger Agreement, the Offer or the Merger if so requested by the Parent within ten business days following such request or resolved to do any of the foregoing; or (ii) if the Company shall directly or indirectly through agents or representatives continue discussions or negotiations with any third party concerning any Acquisition Proposal or Superior Proposal for more than fifteen business days after having first furnished information or commenced discussions or negotiations with such third party (whichever occurred earlier) with respect thereto; or (iii) (A) if an Acquisition Proposal that is publicly disclosed shall have been commenced, publicly proposed or communicated to the Company which contains a proposal as to price (without regard to the specificity of such price proposal) and (B) the Company shall not have rejected such Acquisition Proposal within fifteen business days after the earlier of its receipt thereof, and the date its existence first becomes publicly disclosed; or (iv) if the Company shall have amended, modified or waived any provision of the Rights Agreement or shall have taken the transactions to be effected pursuant to this Agreement and, as a result, a person shall have acquired greater than 15% of the outstanding Common Shares;

(f) by the Company, if prior to the purchase of Shares pursuant to the Offer, upon three business days prior notice to the Parent in order to accept a Superior Proposal; provided that, prior to terminating the Merger Agreement (A) the Company shall have fully complied with its obligations under Section 5.2 of the Merger Agreement (NO SOLICITATION OF TRANSACTIONS), (B) the notice provided by the Company to the Parent shall specify all material terms, conditions and other information with respect thereto, (C) prior to any such termination, the Company shall, if requested by the Parent in connection with any revised proposal the Parent might make negotiate in good faith with the Parent for a period of three business days, and such third party proposal remains a Superior Proposal after taking into account any revised proposal by the Parent during such three business day period and (D) immediately following such termination, the Company enters into definitive and binding documentation with respect to such Superior Proposal; and PROVIDED, FURTHER that the Company shall have made the payment of any fees and expenses to Parent required under the Merger Agreement;

(g) by the Company if, due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in Section 15 hereof, the Purchaser shall have (i) failed to commence the Offer as required by the Merger Agreement, (ii) terminated the Offer without having accepted any Shares for payment, or (iii) failed to pay for the Shares validly tendered pursuant to the Offer in accordance with the terms thereof, unless such termination or failure to pay for Shares shall have been caused by or resulted from the failure of the Company to perform in any material respect any covenant or agreement of it contained in the Merger Agreement or the failure of the condition set forth in paragraph (d) of Section 15 hereof; or

(h) by the Company if any representation or warranty of the Parent or the Purchaser in the Merger Agreement shall not be true and correct in any material respect on the date of the Merger Agreement, or the Parent or the Purchaser shall have failed to perform in any material respect any obligation or to comply in any material respect with any agreement or covenant of the Parent or the Purchaser to be performed or

complied with by it under the Merger Agreement; provided that such breach or failure to perform (if curable) has not been cured within thirty calendar days after notice to the Parent, and provided further that the Company is not in material breach of the Merger Agreement.

The Merger Agreement provides that if: (i) the Merger Agreement is terminated by (A) the Company pursuant to (f) above or (B) by the Parent pursuant to (e)(i), (ii), (iii) or (iv) above; (ii) (A) the Merger Agreement is terminated pursuant to (c) or (d) (other than in the event that the Purchaser is in material breach of the Merger Agreement at the time of such termination), (B) after the execution and delivery of the Merger Agreement but prior to such termination either (x) the Company (or its agents) breaches its obligations under Section 5.2 (NO SOLICITATION OF TRANSACTIONS) of the Merger Agreement or (y) a third party makes a proposal either publicly or which becomes public prior to such termination with respect to any Acquisition Proposal and (C) within nine months after such termination, either (I) a Third Party Acquisition (as defined in the Merger Agreement) occurs or (II) the Company enters into an agreement with respect to a Third Party Acquisition which is later consummated, then the Company will pay to the Parent, within one business day following the execution and delivery of such agreement or such occurrence in cash and immediately available funds, of $6 million ("Termination Fee"). The Merger Agreement provides that the Company shall from time to time after any termination in connection with a Termination Fee, certain expenses of the Parent and the Purchaser not exceeding $1 million.

The Merger Agreement provides that in the event of a termination by either the Company or Parent and the Purchaser pursuant to the terms of the Merger Agreement, the Merger Agreement will then become null and void and there will be no further liability or obligation on the part of either the Company or Parent or the Purchaser (or any of their respective representatives or affiliates) as a result of a breach of any representation, warranty, covenant or condition of the Merger Agreement, subject to certain exceptions.

The Merger Agreement further provides that except as otherwise specifically provided therein, each party will bear its own expenses in connection with the Merger Agreement and the transactions contemplated thereby.

THE GUARANTEE

Concurrently with the execution and delivery of the Merger Agreement, Borden provided a guarantee to the Company of the obligations of the Purchaser and the Parent under the Merger Agreement to effect the Offer and the Merger.

12. PURPOSE OF THE OFFER; THE MERGER; PLANS FOR THE COMPANY; RIGHTS AGREEMENT.

PURPOSE. The purpose of the Offer is to acquire control of, and the entire equity interest in, the Company. The Offer is being made pursuant to the Merger Agreement. As promptly as practicable following consummation of the Offer and after satisfaction or waiver of all conditions to the Merger set forth in the Merger Agreement, the Purchaser intends to acquire the remaining equity interest in the Company not acquired in the Offer by consummating the Merger.

VOTE REQUIRED TO APPROVE THE MERGER. The Board of Directors of the Company has approved the Merger Agreement in accordance with the DGCL. If required for approval of the Merger, the Company has agreed, subject to the satisfaction of the conditions to the Merger set forth in the Merger Agreement, in accordance with and subject to the DGCL, to duly convene a meeting of its stockholders as promptly as practicable following the purchase of Shares pursuant to the Offer for the purpose of considering and taking action on the Merger Agreement. If stockholder approval is required, the Merger Agreement must generally be approved by the vote of the holders of a majority of the outstanding Shares. As a result, if the Minimum Condition is satisfied, the Purchaser will have the power to approve the Merger Agreement without the affirmative vote of any other stockholder.

The Merger Agreement provides that, notwithstanding the foregoing, in the event that the Purchaser shall acquire at least 90% of the outstanding Shares, the Company shall, at the Purchaser's request, take all necessary and appropriate action to cause the Merger to become effective as soon as reasonably

practicable after such acquisition, without a meeting of the Company's stockholders, in accordance with Section 253 of the DGCL.

THIS OFFER TO PURCHASE DOES NOT CONSTITUTE A SOLICITATION OF A PROXY, CONSENT OR AUTHORIZATION FOR OR WITH RESPECT TO THE ANNUAL MEETING OR ANY SPECIAL MEETING OF THE COMPANY'S STOCKHOLDERS OR ANY ACTION IN LIEU THEREOF. ANY SUCH SOLICITATION WHICH THE PURCHASER OR THE COMPANY MAY MAKE WILL BE MADE ONLY PURSUANT TO SEPARATE PROXY MATERIALS IN COMPLIANCE WITH SECTION 14(A) OF THE EXCHANGE ACT.

APPRAISAL RIGHTS. Stockholders do not have appraisal rights as a result of the Offer. However, if the Merger is consummated, stockholders of the Company at the time of the Merger who do not vote in favor of the Merger and comply with all statutory requirements will have the right under the DGCL to demand appraisal of, and receive payment in cash of the fair value of, their Shares outstanding immediately prior to the effective date of the Merger in accordance with Section 262 of the DGCL.

Under the DGCL, stockholders who properly demand appraisal and otherwise comply with the applicable statutory procedures will be entitled to receive a judicial determination of the fair value of their Shares (exclusive of any element of value arising from the accomplishment or expectation of the Merger) and to receive payment of such fair value in cash. Any such judicial determination of the fair value of such Shares could be based upon considerations other than or in addition to the price paid in the Offer and the Merger and the market value of the Shares. In WEINBERGER V. UOP, INC., the Delaware Supreme Court stated, among other things, that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court" should be considered in an appraisal proceeding. Stockholders should recognize that the value so determined could be equal to or higher or lower than the price per Share paid pursuant to the Offer or the consideration per Share to be paid in the Merger.

In addition, several decisions by Delaware courts have held that in certain circumstances a controlling stockholder of a corporation involved in a merger has a fiduciary duty to other stockholders that requires that the merger be fair to other stockholders. In determining whether a merger is fair to minority stockholders, Delaware courts have considered, among other things, the type and amount of the consideration to be received by the stockholders and whether there was fair dealing among the parties. The Delaware Supreme Court stated in Weinberger and RABKIN V. PHILIP A. HUNT CHEMICAL CORP. that the remedy ordinarily available to minority stockholders in a cash-out merger is the right to appraisal described above. However, a damages remedy or injunctive relief may be available if a merger is found to be the product of unfairness, including fraud, misrepresentation or other misconduct.

THE FOREGOING SUMMARY OF THE RIGHTS OF STOCKHOLDERS DOES NOT PURPORT TO BE A COMPLETE STATEMENT OF THE PROCEDURES TO BE FOLLOWED BY STOCKHOLDERS DESIRING TO EXERCISE ANY AVAILABLE APPRAISAL RIGHTS. THE PRESENTATION AND EXERCISE OF APPRAISAL RIGHTS REQUIRE STRICT ADHERENCE TO THE APPLICABLE PROVISIONS OF THE DELAWARE LAW.

The foregoing description of certain provisions of the DGCL is not necessarily complete and is qualified in its entirety by reference to the DGCL.

RULE 13E-3. The Commission has adopted Rule 13e-3 under the Exchange Act which is applicable to certain "going private" transactions and which may under certain circumstances be applicable to the Merger following the purchase of Shares pursuant to the Offer in which the Purchaser seeks to acquire any remaining Shares. Rule 13e-3 should not be applicable to the Merger if the Merger is consummated within one year after the expiration or termination of the Offer and the price paid in the Merger is not less than the per Share price paid pursuant to the Offer. However, in the event that the Purchaser is deemed to have acquired control of the Company pursuant to the Offer and if the Merger is consummated more than one year after completion of the Offer or an alternative acquisition transaction is effected whereby stockholders of the Company receive consideration less than that paid pursuant to the Offer, in either case at a time when the Shares are still registered under the Exchange Act, the Purchaser may be required to comply with Rule 13e-3 under the Exchange Act. If applicable, Rule 13e-3 would require, among other things, that

certain financial information concerning the Company and certain information relating to the fairness of the Merger or such alternative transaction and the consideration offered to minority stockholders in the Merger or such alternative transaction, be filed with the Commission and disclosed to stockholders prior to consummation of the Merger or such alternative transaction. The purchase of a substantial number of Shares pursuant to the Offer may result in the Company being able to terminate its Exchange Act registration. See Section 14. If such registration were terminated, Rule 13e-3 would be inapplicable to any such future Merger or such alternative transaction.

PLANS FOR THE COMPANY. If the Purchaser obtains control of the Company pursuant to the Offer, the Parent expects to conduct a detailed review of the Company and its businesses, assets, corporate structure, capitalization, operations, properties, policies, management and personnel and to consider what, if any, changes would be desirable in light of the circumstances that then exist. Such changes could include changes in the Company's businesses, corporate structure, certificate of incorporation, by-laws, capitalization, board of directors, management or dividend policy. The Parent has entered into discussions with a third party with respect to the possible sale of two subsidiaries of the Company, Aspen Pet Products, Inc. and Woodstream Corporation.

Except as described in this Offer to Purchase, neither the Parent nor the Purchaser has any present plans or proposals that would relate to or result in an extraordinary corporate transaction such as a merger, reorganization or liquidation involving the Company or any of its subsidiaries or a sale or other transfer of a material amount of assets of the Company or any of its subsidiaries, any material change in the capitalization or dividend policy of the Company or any other material change in the Company's corporate structure or business or the composition of its Board of Directors or management.

RIGHTS AGREEMENT. In 1987, the Board of the Company declared a dividend payable to stockholders of record as of April 9, 1987, of one Right for each outstanding Common Share. The Rights Agreement that each Right, when exercisable, will entitle the holder thereof until April 9, 2007, to purchase one one-hundredth of a share of Series A Junior Participating Preferred Stock, par value $0.01 per share, at an exercise price of $30, subject to certain anti-dilution adjustments. The Rights will not be exercisable or transferable apart from shares of common stock until the earlier of (i) the day on which there is a public announcement that a Person (as defined in the Rights Agreement) or group has acquired beneficial ownership of 15% or more of the outstanding Common Shares (an "Acquiring Person") or (ii) the tenth business day after a Person commences, or announces an intention to commence, a tender or exchange offer for 15% or more of the outstanding Common Shares. The Rights are redeemable by the Company at $.01 per right at any time prior to the time that a Person or group becomes an Acquiring Person. At any time after a person becomes an Acquiring Person, the Company's Board may exchange all or any part of the Right for Common Shares at an exchange ratio of one Common Share per Right. This option is extinguished when any Person becomes the beneficial owner of 50% or more of the common shares outstanding.

In the event that the Company is a party to a merger or other business combination transaction in which the Company is not the surviving entity, each Right will entitle the holder to purchase, at the exercise price of the Right, that number of shares of the common stock of the Acquiring Company (as defined in the Rights Agreement) which, at the time of such transaction, would have a market value of two times the exercise price of the Right. In addition, if a Person or group becomes an Acquiring Person, each Right not owned by such Person or group would become exercisable for the number of Common Shares which, at that time, would have a market value of two times the exercise price of the Right.

On August 4, 1999 the Company and the Rights Agent entered into an amendment to the Rights Agreement which provided that (a) the execution and delivery of the Merger Agreement, the consummation of the Offer, the acquisition of Shares pursuant to the Offer and the consummation of the transactions contemplated thereby, do not and will not, with or without the passage of time, result in (i) the grant of any Rights to any person under the Rights Agreement or enable or require the outstanding rights to be exercised, distributed or triggered, (ii) the Parent, the Purchaser or any of their affiliates becoming an

Acquiring Person, (iii) the occurrence of a Distribution Date or a Share Acquisition Date and (b) the Rights will expire at, and subject to, the consummation of the Offer.

13. DIVIDENDS AND DISTRIBUTIONS. If on or after the date of the Merger Agreement (except as contemplated thereby), the Company should declare or pay any cash or stock dividend or other distribution on, or issue any right with respect to, the Shares that is payable or distributable to stockholders of record on a date prior to the transfer to the name of the Purchaser or the nominee or transferee of the Purchaser on the Company's stock transfer records of such Shares that are purchased pursuant to the Offer, then without prejudice to the Purchaser's rights under Section 15, (i) the purchase price payable per Share by the Purchaser pursuant to the Offer will be reduced to the extent any such dividend or distribution is payable in cash and (ii) any non-cash dividend, distribution (including additional Shares) or right received and held by a tendering stockholder shall be required to be promptly remitted and transferred by the tendering stockholder to the Depositary for the account of the Purchaser, accompanied by appropriate documentation of transfer. Pending such remittance or appropriate assurance thereof, the Purchaser will, subject to applicable law, be entitled to all rights and privileges as owner of any such non-cash dividend, distribution or right and may withhold the entire purchase price or deduct from the purchase price the amount or value thereof, as determined by the Purchaser in its sole discretion.

14. EFFECT OF THE OFFER ON THE MARKET FOR THE SHARES, AMERICAN STOCK EXCHANGE LISTING AND EXCHANGE ACT REGISTRATION. The purchase of Shares pursuant to the Offer will reduce the number of Shares that might otherwise trade publicly and will reduce the number of holders of Shares. This could adversely affect the liquidity and market value of the remaining Shares held by the public. Depending upon the number of Shares purchased pursuant to the Offer, the Shares may no longer meet the requirements of the American Stock Exchange for continued inclusion on the American Stock Exchange. If as a result of the purchase of Shares pursuant to the Offer or otherwise, the Shares no longer meet the requirements of the American Stock Exchange for continued inclusion on the American Stock Exchange and the Shares are no longer included on the American Stock Exchange, as the case may be, the market for the Shares could be adversely affected.

In the event that the Shares no longer meet the requirements of the American Stock Exchange, it is possible that such Shares would continue to trade on other securities exchanges or in the over-the-counter market and that price quotations would be reported by such exchanges or through other sources. However, the extent of the public market for the Shares and the availability of such quotations would depend upon such factors as the number of stockholders and/or the aggregate market value of the Shares remaining at such time, the interest in maintaining a market in the Shares on the part of securities firms, the possible termination of registration under the Exchange Act as described below and other factors. The Purchaser cannot predict whether the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for or marketability of the Shares.

The Shares are currently registered under the Exchange Act. The purchase of Shares pursuant to the Offer may result in the Shares becoming eligible for deregistration under the Exchange Act. Registration of the Shares may be terminated upon application of the Company to the Commission if the Shares are not listed on a national securities exchange and there are fewer than 300 record holders. The termination of the registration of the Shares under the Exchange Act would substantially reduce the information required to be furnished by the Company to holders of the Shares and would make certain provisions of the Exchange Act, such as the short-swing profit recovery provisions of Section 16(b), the requirement of furnishing a proxy statement in connection with stockholders' meetings and the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions, no longer applicable to the Shares. Furthermore, "affiliates" of the Company and persons holding "restricted securities" of the Company may be deprived of the ability to dispose of the securities pursuant to Rule 144 under the Securities Act of 1933.

15. CERTAIN CONDITIONS OF THE OFFER. Notwithstanding any other provision of the Offer, but subject to the terms and conditions of the Merger Agreement, the Purchaser shall not be required to accept for payment or, subject to the applicable rules and regulations of the Commission including Rule 14e-1(c)

under the Exchange Act, pay for any Shares tendered pursuant to the Offer, and may terminate or amend the Offer in a manner consistent with the terms of the Merger Agreement and may postpone the acceptance for payment of or the payment for any Shares tendered in a manner consistent with the terms of the Merger Agreement, if (i) immediately prior to the expiration of the Offer (as extended in accordance with the Offer), the HSR Act Condition shall not have been satisfied, (ii) immediately prior to the expiration of the Offer (as extended in accordance with the Offer), the Minimum Condition shall not have been satisfied, or (iii) at any time prior to the acceptance of payment for the Shares, any of the following conditions exist:

(a) there shall be any statute, rule or regulation, or any decree, order or injunction, promulgated, enacted entered or enforced by any Governmental Entity which would (i) make the acquisition by the Purchaser or a material portion of the Shares illegal, or prohibit or materially limit the ownership or operation by the Company or any of the Company's subsidiaries, or by the Parent, the Purchaser or any of the Parent's Subsidiaries of all or any material portion of the business or assets of the Company or any of the Company's subsidiaries or the Purchaser or any of its material subsidiaries, or compelling the Purchaser, the Parent or any of the Parent's subsidiaries to dispose of or hold separate all or any material portion of the business or assets of the Company or any of the Company's subsidiaries or the Parent or any of its material subsidiaries, as a result of the transactions contemplated by the Offer or the Merger Agreement, or (ii) otherwise prohibit or restrict the making or consummation of the Offer or the Merger (each a "Governmental Restriction"); PROVIDED, HOWEVER, that in order to invoke this condition, the Parent and the Purchaser shall have used their reasonable best efforts to prevent such Governmental Restriction or to lift, rescind, mitigate, reverse, cause to expire, terminate or ameliorate the effects thereof;

(b) there shall be any action or proceeding brought or any imminent action or proceeding meaningfully threatened by any Governmental Entity that seeks an Order having any effect set forth in clause (a) above;

(c) the Board of the Company shall have withdrawn, modified or amended in a manner that is materially adverse to the Parent or the Purchaser (including by way of any amendment to the Schedule 14D-9) its recommendation of the Offer, the Merger or the Merger Agreement;

(d) the Company shall have breached or failed to perform in any material respect any of its material covenants or agreements (other than covenants or agreement relating in any way to the Debt Offer (as defined in the Merger Agreement) under the Merger Agreement or the Company shall have willfully beached or willfully failed to perform in any material respect any of the covenants or agreements relating in any way to the Debt Offer;

(e) any of the representations and warranties of the Company set forth in the Merger Agreement which are qualified as to Material Adverse Effect (as defined in the Merger Agreement) shall not be true and correct when made and as of the expiration of the Offer, or any of the other representations and warranties of the Company set forth in the Merger Agreement shall not be true and correct when made and as of the expiration of the Offer, which failure would have a Material Adverse Effect (except in each case in the case of representations and warranties of the Company which address matters only as of a particular date, which need only be true and correct as aforesaid as of such date);

(f) the Merger Agreement shall have been terminated in accordance with its terms;

(g) the Parent, the Purchaser and the Company shall have agreed in writing that Purchaser shall terminate the Offer or postpone the acceptance for payment of or the payment for Shares thereunder;

(h) there shall have occurred (i) any general suspension of, or limitation on prices for trading in securities on the New York Stock Exchange, American Stock Exchange, any national securities exchange or on the Nasdaq National Market System for a period in excess of 24 hours (excluding any suspension or limit resulting solely from physical damage or interference with such exchanges not related to market conditions), (ii) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, or (iii) a material adverse change in the general financial, bank or capital markets,

including, without limitation, a decline of at least 30% in either the Dow Jones Average of Industrial Stocks or the Standard & Poor's 500 index from the date hereof, or

(i) a Distribution Date or a Stock Acquisition Date (as each such term is defined in the Rights Agreement) shall have occurred pursuant to the Rights Agreement;

which makes it inadvisable, as determined by the Purchaser in good faith, to proceed with the Offer or with such acceptance for payment or payments.

The foregoing conditions are for the sole benefit of the Parent and the Purchaser and may be asserted by the Parent or the Purchaser regardless of the circumstances giving rise to any such condition or may be waived by the Parent or the Purchaser in whole or in part at any time and from time to time in their sole discretion. The failure by the Parent or the Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time.

16. CERTAIN LEGAL MATTERS AND REGULATORY APPROVALS.

GENERAL. Except as set forth below, neither the Purchaser nor the Parent is aware of any licenses or other regulatory permits that appear to be material to the business of the Company and its subsidiaries, taken as a whole, that might be adversely affected by the Purchaser's acquisition of Shares (and the indirect acquisition of the stock of the Company's subsidiaries) as contemplated herein, or of any filings, approvals or other actions by or with any domestic (federal or state), foreign or supranational governmental authority or administrative or regulatory agency that would be required prior to the acquisition of Shares (or the indirect acquisition of the stock of the Company's subsidiaries) by the Purchaser pursuant to the Offer as contemplated herein. Should any such approval or other action be required, it is the Parent's present intention to seek such approval or action. There can be no assurance that any such approval or other action, if needed, would be obtained without substantial conditions or that adverse consequences might not result to the business of the Company, the Parent or the Purchaser or that certain parts of the businesses of the Company, the Parent or the Purchaser might not have to be disposed of or held separate or other substantial conditions complied with in order to obtain such approval or other action or in the event that such approval was not obtained or such other action was not taken, any of which could cause the Purchaser to elect (subject to the terms of the Merger Agreement) to terminate the Offer without the purchase of the Shares thereunder. The Purchaser's obligation under the Offer to accept for payment and pay for Shares is subject to certain conditions, including conditions relating to the legal matters discussed in this Section 16.

STATE TAKEOVER LAWS. A number of states have adopted takeover laws and regulations which purport to varying degrees to be applicable to attempts to acquire securities of corporations which are incorporated in such states or which have or whose business operations have substantial economic effects in such states, or which have substantial assets, security holders, principal executive offices or principal places of business therein. In 1982, the Supreme Court of the United States, in EDGAR V. MITE CORP., invalidated on constitutional grounds the Illinois Business Takeovers Act, which as a matter of state securities law made takeovers of corporations meeting certain requirements more difficult, and the reasoning in such decision is likely to apply to certain other state takeover statutes. However, in 1987, in CTS CORP. V. DYNAMICS CORP. OF AMERICA, the Supreme Court of the United States held that the State of Indiana could, as a matter of corporate law and in particular those aspects of corporate law concerning corporate governance, constitutionally disqualify a potential acquiror from voting on the affairs of a target corporation without the prior approval of the remaining stockholders, provided that such laws were applicable only under certain conditions. Subsequently, in TLX ACQUISITION CORP. V. TELEX CORP., a federal district court in Oklahoma ruled that the Oklahoma statutes were unconstitutional insofar as they applied to corporations incorporated outside Oklahoma in that they would subject such corporations to inconsistent regulations. Similarly, in TYSON FOODS, INC. V. MCREYNOLDS, a federal district court in Tennessee ruled that four Tennessee takeover statutes were unconstitutional as applied to corporations incorporated outside Tennessee. This decision

was affirmed by the United States Court of Appeals for the Sixth Circuit. In December 1988, a federal district court in Florida held in GRAND METROPOLITAN PLC V. BUTTERWORTH that the provisions of the Florida Affiliated Transactions Act and the Florida Control Share Acquisition Act were unconstitutional as applied to corporations incorporated outside of Florida.

Except as described herein, the Purchaser has not attempted to comply with any state takeover statutes in connection with the Offer. The Purchaser reserves the right to challenge the validity or applicability of any state law allegedly applicable to the Offer and nothing in this Offer to Purchase nor any action taken in connection herewith is intended as a waiver of that right. In the event that any state takeover statute is found applicable to the Offer, the Purchaser might be unable to accept for payment or purchase Shares tendered pursuant to the Offer or be delayed in continuing or consummating the Offer. In such case, the Purchaser may not be obligated to accept for purchase or pay for, any Shares tendered. See Section 16.

ANTITRUST. Under the HSR Act and the rules that have been promulgated thereunder by the Federal Trade Commission ("FTC"), certain acquisition transactions may not be consummated unless certain information has been furnished to the Antitrust Division of the Department of Justice (the "Antitrust Division") and the FTC and certain waiting period requirements have been satisfied.

The Parent intends, as soon as reasonably practicable following the date hereof, to file with the FTC and the Antitrust Division a Premerger Notification and Report Form in connection with the purchase of Shares pursuant to the Offer. Under the provisions of the HSR Act applicable to the Offer, the purchase of Shares pursuant to the Offer may not be consummated until the expiration of a 15-calendar day waiting period following the filing by the Parent, unless both the Antitrust Division and the FTC terminate the waiting period prior thereto. If, within such 15-calendar day waiting period, either the Antitrust Division or the FTC requests additional information or documentary material from the Parent, the waiting period would be extended for an additional 10 calendar days following substantial compliance by the Parent with such request. Thereafter, the waiting period could be extended only by court order. If the acquisition of Shares is delayed pursuant to a request by the FTC or the Antitrust Division for additional information or documentary material pursuant to the HSR Act, the Offer may, but need not (except as otherwise provided in the Merger Agreement), be extended and in any event the purchase of and payment for Shares will be deferred until 10 days after the request is substantially complied with, unless the waiting period is sooner terminated by the FTC and the Antitrust Division. See Section 2. Only one extension of such waiting period pursuant to a request for additional information is authorized by the HSR Act and the rules promulgated thereunder, except by court order. Any such extension of the waiting period will not give rise to any withdrawal rights not otherwise provided for by applicable law. See Section 4.

The FTC and the Antitrust Division frequently scrutinize the legality under the antitrust laws of transactions such as the proposed acquisition of Shares by the Purchaser pursuant to the Offer. At any time before or after the purchase by the Purchaser of Shares pursuant to the Offer, either of the FTC and the Antitrust Division could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or seeking the divestiture of Shares purchased by the Purchaser or the divestiture of substantial assets of the Parent, its subsidiaries or the Company. Private parties and state attorneys general may also bring legal action under federal or state antitrust laws under certain circumstances.

Based upon an examination of publicly available information relating to the businesses in which the Company and its subsidiaries are engaged, the Parent and the Purchaser believe that the acquisition of Shares pursuant to the Offer would not violate the antitrust laws. There can be no assurance, however, that a challenge to the Offer on antitrust grounds will not be made or, if such challenge is made, what the outcome will be. See Section 15 for certain conditions to the Offer, including conditions with respect to litigation and certain government actions.

MARGIN CREDIT REGULATIONS. Federal Reserve Board Regulations G, T, U and X (the "Margin Credit Regulations") restrict the extension or maintenance of credit for the purpose of buying or carrying margin

stock, including the Shares, if the credit is secured directly or indirectly thereby. Such secured credit may not be extended or maintained in an amount that exceeds the maximum loan value of the margin stock. Under the Margin Credit Regulations, the Shares are presently margin stock and the maximum loan value thereof is generally 50% of their current market value. The definition of "indirectly secured" contained in the Margin Credit Regulations provides that the term does not include an arrangement with a customer if the lender in good faith has not relied upon margin stock as collateral in extending or maintaining the particular credit.

17. FEES AND EXPENSES. Goldman, Sachs & Co. is acting as Dealer Manager in connection with the Offer. As compensation for its services as Dealer Manager, Goldman, Sachs & Co. will receive customary fees if the Offer is consummated. Borden and the Parent also will reimburse Goldman, Sachs & Co. for its reasonable out-of-pocket expenses, including reasonable attorney's fees, and also has agreed to indemnify Goldman, Sachs & Co. against certain liabilities and expenses in connection with the Offer, including certain liabilities under the Federal securities laws.

The Purchaser has retained Mackenzie Partners, Inc. to act as the Information Agent and IBJ Schroder Bank & Trust Company to act as the Depositary in connection with the Offer. The Information Agent may contact holders of Shares by mail, telephone, telex, telegraph and personal interview and may request brokers, dealers and other nominee stockholders to forward the Offer materials to beneficial owners. The Information Agent and the Depositary will receive reasonable and customary compensation for services relating to the Offer and will be reimbursed for certain out-of-pocket expenses. The Purchaser and the Parent have also agreed to indemnify the Information Agent and the Depositary against certain liabilities and expenses in connection with the Offer, including certain liabilities under the federal securities laws.

The Purchaser will not pay any fees or commissions to any broker or dealer or any other person for soliciting tenders of Shares pursuant to the Offer (other than to the Dealer Manager, the Information Agent and the Depositary). Brokers, dealers, commercial banks and trust companies will, upon request, be reimbursed by the Purchaser for customary mailing and handling expenses incurred by them in forwarding offering materials to their customers.

18. MISCELLANEOUS. The Offer is being made solely by this Offer to Purchase and the related Letter of Transmittal and is being made to all holders of Shares. The Purchaser is not aware of any state where the making of the Offer is prohibited by administrative or judicial action pursuant to any valid state statute. If the Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, the Purchaser will make a good faith effort to comply with any such state statute. If after such good faith effort, the Purchaser cannot comply with such state statute, the Offer will not be made to nor will tenders be accepted from or on behalf of the holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Purchaser by the Dealer Manager or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

The Purchaser and the Parent have filed with the Commission a Schedule 14D-1 (including exhibits) pursuant to Rule 14d-3 under the Exchange Act, furnishing certain additional information with respect to the Offer. Such statement and any amendments thereto, including exhibits, may be inspected and copies may be obtained from the offices of the Commission (except that they will not be available at the regional offices of the Commission) in the manner set forth in Section 8 of this Offer to Purchase.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION ON BEHALF OF THE PURCHASER OR THE PARENT NOT CONTAINED HEREIN OR IN THE LETTER OF TRANSMITTAL AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

EG TWO ACQUISITION CO.

August 11, 1999

SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS
OF THE PURCHASER, THE PARENT AND BORDEN, INC.

1. DIRECTORS AND EXECUTIVE OFFICERS OF PURCHASER. The name, age, present principal occupation or employment and five-year employment history of each director and executive officer of the Purchaser are set forth below. All directors and executive officers listed below are citizens of the United States of America. The business address of Messrs. Kidder, Starkman, Barr and Muller, and Ms. Berndt is 180 East Broad Street, Columbus, Ohio 43215. The address for Ms. Yeatman is 2711 Centreville Road, Suite 202, One Little Falls Centre, Wilmington, Delaware 19808.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
Ellen German Berndt..... Director, Vice President and Secretary	Ellen German Berndt (age 46) is a Director, Vice President and Secretary of the Purchaser. Ms. Berndt is the Assistant General Counsel and Corporate Secretary of Borden and has served in such position since October 1998. From January 1996 to October 1998, Ms. Berndt served as Corporate Secretary and Corporate Counsel of Borden and from 1987 to January 1996 Ms. Berndt served as Assistant Secretary and Corporate Counsel of Borden.
C. Robert Kidder..... President	C. Robert Kidder (age 54) is President of the Purchaser and Chairman of the Board and Chief Executive Officer of Borden, a position he has held since January 10, 1995. He also serves as a Director of Borden Foods Corporation, Borden Chemical, Inc., Wise Foods Holdings, Inc., Elmer's Holdings, Inc., CCPC Holding Company, Inc. and reSource Partner, Inc. He served as Chairman of the Board of Duracell International Inc. and Duracell, Inc. from August 1991 through October 1994 and was Chairman of the Board and Chief Executive Officer of both companies from April 1992 through September 30, 1994, Chairman of the Board, President and Chief Executive Officer of both companies from August 1991 until April 1992, and President and Chief Executive Officer of both companies from June 1988 until August 1991. He is also a Director of Electronic Data Systems Corporation, AEP Industries, Inc. and Morgan Stanley, Dean Witter, Discover & Co.
Ronald P. Starkman..... Vice President and Treasurer	Ronald P. Starkman (age 45) is a Vice President and Treasurer of the Purchaser and has been a Senior Vice President and Treasurer of Borden since November 20, 1995. He also serves as a director of BCP Management, Inc. He was a Senior Managing Director of Claremont Capital Group, Inc. from December 1994 to November 1995. Prior to that he was a Senior Vice President--Investment Banking for Lehman Brothers from 1993 to 1994, and a Vice President and Assistant Treasurer at American Express from 1986 to 1993.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
Thomas V. Barr..... Vice President	Thomas V. Barr (age 55) is a Vice President of the Purchaser and Vice President, Director of Taxes of Borden in which position he has served since February 1995. From 1989 to February 1995 Mr. Barr was Assistant General Controller of Borden.
Phyllis R. Yeatman..... Vice President and Assistant Treasurer	Phyllis R. Yeatman (age 61) is a Vice President and Assistant Treasurer of Purchaser. She is also a Director of the Parent and the Administrative Manager, of Borden Holdings, Inc. since 1996; prior to that she was the Office Manager/Delaware Coordinator of BDH One, Inc., a subsidiary of Borden since October 1989.
John B. Muller..... Vice President	John B. Muller (age 38) is a Vice President of the Purchaser and has been Vice President Corporate Strategy & Development of Borden since January 1998. Mr. Mueller was a McKinsey & Co. Management Consultant from May 1992 to January 1998.

2. DIRECTORS AND EXECUTIVE OFFICERS OF PARENT. The name, age, present principal occupation or employment and five-year employment history of each director and executive officer of the Parent are set forth below. All directors and executive officers listed below are citizens of the United States of America. The business address of Mr. Siegfried is 1201 Market Street, suite 1601, Wilmington, Delaware 19801. The business address of Ms. Yeatman is 2711 Centreville Road, suite 202, One Little Falls Centre, Wilmington, Delaware 19808. The business address of Ms. Berndt and Mr. Starkman is 180 East Broad Street, Columbus, Ohio 43215.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
Robert L. Siegfried, Jr..... Director	Robert L. Siegfried, Jr. (age 40) is a Director of the Parent. Mr. Siegfried also serves as President and CEO of The Siegfried Group, LLP (formerly Siegfried, Schieffer & Seitz) a position he has held since May 1988.
Phyllis R. Yeatman..... Director, President, Treasurer and Secretary	Phyllis R. Yeatman (age 61) is a Director, President, Treasurer and Secretary of the Parent. Ms. Yeatman has served as an Administrative Manager of Borden Holdings, Inc. since 1996 and prior to that from October 1989 she was the Office Manager/ Delaware Coordinator for BDH One, Inc., a subsidiary of Borden.
Ronald P. Starkman..... Assistant Treasurer	Ronald P. Starkman (age 45) is Assistant Treasurer of the Parent and has been Senior Vice President and Treasurer of Borden since November 20, 1995. He also serves as a director of BCP Management, Inc. He was a Senior Managing Director of Claremont Capital Group, Inc. from December 1994 to November 1995. Prior to that he was a Senior Vice President--Investment Banking for Lehman Brothers from 1993 to 1994, and a Vice President and Assistant Treasurer at American Express from 1986 to 1993.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
Ellen German Berndt..... Assistant Secretary	Ellen German Berndt (age 46) is Assistant Secretary of Parent and since October 1998 has been the Assistant General Counsel and Corporate Secretary of Borden. From January 1996 to October 1998 Ms. Berndt was Corporate Secretary and Corporate Counsel of Borden and from 1987 to January 1996 Ms. Berndt was Assistant Secretary and Corporate Counsel of Borden.

3. DIRECTORS AND EXECUTIVE OFFICERS OF BORDEN. The name, age, present principal occupation or employment and five-year employment history of each director and executive officer of Borden are set forth below. All directors and executive officers listed below are citizens of the United States of America. The business address of Messrs. Kidder, Carter, Kelley, Stoll, Starkman and Ms. Reardon is 180 East Broad Street, Columbus, Ohio 43215. The business address of Messrs. Stuart, Kravis, Navab and Robbins is 9 West 57(th) Street, New York, New York 10019. The business address of Mr. Roberts is 2800 Sand Hill Road, Menlo Park, California 94025.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
C. Robert Kidder..... Chairman of the Board and Chief Executive Officer	C. Robert Kidder (age 54) is Chairman of the Board and Chief Executive Officer of Borden, a position he has held since January 10, 1995. He also serves as a Director of Borden Foods Corporation, Borden Chemical, Inc., Wise Foods Holdings, Inc., Elmer's Holdings, Inc., CCPC Holding Company, Inc. and reSource Partner, Inc. He served as Chairman of the Board of Duracell International Inc. and Duracell, Inc. from August 1991 through October 1994 and was Chairman of the Board and Chief Executive Officer of both companies from April 1992 through September 30, 1994, Chairman of the Board, President and Chief Executive Officer of both companies from August 1991 until April 1992, and President and Chief Executive Officer of both companies from June 1988 until August 1991. He is also a Director of Electronic Data Systems Corporation, AEP Industries, Inc. and Morgan Stanley, Dean Witter, Discover & Co.
Henry R. Kravis..... Director	Henry R. Kravis (age 55) acted as Chairman of the Board of Borden from December 21, 1994 to January 10, 1995. He has been a member of KKR & Co., LLC since 1996, was a General Partner of Kohlberg Kravis Roberts & Co. from its establishment through 1995 and has been a General Partner of KKR Associates, L.P. since its establishment. He is also a Director of Accuride Corporation, Amphenol Corporation, The Boyds Collection, Ltd., Evenflo Company Inc., The Gillette Company, IDEX Corporation, KinderCare Learning Centers, Inc., KSL Recreation Corporation, Owens-Illinois, Inc., PRIMEDIA Inc., Randall's Food Markets, Inc., Regal Cinemas, Inc., Safeway, Inc., Sotheby's Holdings, Inc., and Spalding Holdings Corporation. He is a member of the Executive Committee of the Borden Board. Messrs. Kravis and Roberts are first cousins.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
George R. Roberts..... Director	George R. Roberts (age 55) has been a member of KKR & Co., LLC since 1996, was a General Partner of Kohlberg Kravis Roberts & Co. from its establishment through 1995, and has been a General Partner of KKR Associates, L.P. since its establishment. He is also a Director of Accuride Corporation, Amphenol Corporation, The Boyds Collection, Ltd., Evenflo Company Inc., IDEX Corporation, KinderCare Learning Centers, Inc., KSL Recreation Corporation, Owens-Illinois, Inc., PRIMEDIA Inc., Randall's Food Markets, Inc., Regal Cinemas, Inc., Safeway, Inc., and Spalding Holdings Corporation. Messrs. Kravis and Roberts are first cousins.
Alexander Navab..... Director	Alexander Navab (age 33) is a Director of Borden and also serves as a director of Elmer's Products, Inc., Wise Foods, Inc., Borden Chemical, Inc., CCPC Holding Company, Inc. and Borden Foods Corporation. He has been an Executive of KKR since June 1993. He was employed by James D. Wolfensohn Incorporated, an investment banking firm, from September 1991 to June 1993. He is also a Director of KAMAZ, Inc., KSL Recreation Corporation, Regal Cinemas Inc., and World Color Press, Inc. He is a member of the Audit Committee of the Borden Board of Directors.
Clifton S. Robbins..... Director	Clifton S. Robbins (age 41) is a Director of the Borden and also serves as a Director of Borden Chemical, Inc., Borden Foods Corporation, CCPC Holding Company, Inc. and BCP Management, Inc. He has been a member of KKR & Co., LLC since 1996, was a General Partner of Kohlberg Kravis Roberts & Co. and has been a General Partner of KKR Associates, L.P. since January 1995. He began as an Executive with Kohlberg Kravis Roberts & Co. in 1987. He is also a Director of AEP Industries, Inc., IDEX Corporation, KinderCare Learning Centers, Inc., and Regal Cinemas, Inc. He is Chairman of the Compensation Committee and a member of the Executive Committee of the Borden Board of Directors.
Scott M. Stuart..... Director	Scott M. Stuart (age 40) is a Director of Borden and also serves as Director of Borden Chemical, Inc., Borden Foods Corporation and CCPC Holding Company, Inc. He has been a member of KKR & Co., LLC since 1996, and has been a General Partner of KKR Associates, L.P. since January 1995. He was a General Partner of KKR from January 1995 until January 1, 1996 when he became a member of the limited liability company which serves as the general partner of KKR. He has been an Executive with KKR since 1986. He is a Director of AEP Industries, Inc., World Color Press, Inc., The Boyds Collection, Ltd., and KSL Recreation Corporation.

NAME AND POSITION	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND FIVE-YEAR EMPLOYMENT HISTORY
William H. Carter..... Executive Vice President and Chief Financial Officer	William H. Carter (age 46) is Executive Vice President and Chief Financial Officer of Borden, a position he has held since April 1998. He is also a Director of Elmer's Products, Inc., BCP Management, Inc., Borden Chemical, Inc., AEP Industries, Inc., reSource Partner, Inc., Borden Foods Corporation, CCPC Holding Company, Inc. and Wise Foods Inc. Prior to joining Borden in 1995, he served as the Price Waterhouse LLP engagement partner responsible for Borden.
Nancy A. Reardon..... Senior Vice President, Human Resources and Corporate Affairs	Nancy A. Reardon (age 46) was elected Senior Vice President, Human Resources and Corporate Affairs effective March 3, 1997. She is also a Director of Borden Chemical, Inc., Elmer's Products, Inc., Wise Foods, Inc., Borden Foods Corporation, reSource Partner, Inc. and CCPC Holding Company, Inc. Previously Ms. Reardon was Senior Vice President--Human Resources and Communications for Duracell International, Inc. from 1991 through February 1997.
Kevin M. Kelley..... Executive Vice President	Kevin M. Kelley (age 41) Executive Vice President-Corporate Strategy and Development Borden since April 5, 1999. He is also a Director of Borden Chemical, Inc., Elmer's Products, Inc., Wise Foods, Inc., Borden Foods Corporation, reSource Partner, Inc. and CCPC Holding Company, Inc. Prior thereto he was a Managing Director at Ripplewood Holdings LLC from 1996, a Managing Director at Onex Investment Corporation from 1995 to 1996, and a founding partner of Bannon & Co., Inc. from 1991 to 1994.
Ronald P. Starkman..... Senior Vice President and Treasurer	Ronald P. Starkman (age 45) is Senior Vice President and Treasurer of Borden. He is also a Vice President and Treasurer of the Purchaser. He also serves as a director of BCP Management, Inc. He was a Senior Managing Director of Claremont Capital Group, Inc. from December 1994 to November 1995. Prior to that he was a Senior Vice President--Investment Banking for Lehman Brothers from 1993 to 1994, and a Vice President and Assistant Treasurer at American Express from 1986 to 1993.
William F. Stoll, Jr..... Senior Vice President and General Counsel	William F. Stoll, Jr. (age 51) has been Senior Vice President and General Counsel since July 1, 1996. He is also a director of Borden Chemical, Inc., Elmer's Products, Inc., Wise Foods, Inc., Borden Foods Corporation, BCP Management, Inc., reSource Partner, Inc. and CCPC Holding Company, Inc. Prior to joining Borden he was a Vice President of Westinghouse Electric Corporation since 1993, and served as its Deputy General Counsel from 1988 to 1996.

Facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. The Letter of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each stockholder of the Company or his broker, dealer, commercial bank, trust company or other nominee to the Depositary as follows:

THE DEPOSITARY FOR THE OFFER IS:

IBJ WHITEHALL BANK & TRUST COMPANY

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER DELIVERY:
P.O. Box 84	P.O. Box 84	One State Street
Bowling Green Station	Bowling Green Station	New York, New York 10004
New York, New York 10274-0084	New York, New York 10274-0084	Attention: Reorganization Operations Dept.
Attention: Reorganization Dept.	Attention: Reorganization Dept.	Securities Processing Window SC-1

BY FACSIMILE TRANSMISSION: (212) 858-2611

CONFIRM BY TELEPHONE: (212) 858-2103

Any questions and requests for assistance may be directed to the Information Agent or the Dealer Manager at their respective telephone numbers and addresses listed below. Additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from the Information Agent. You may also contact your broker, dealer, commercial bank or trust company for assistance concerning the Offer.

THE INFORMATION AGENT FOR THE OFFER IS:

[MACKENZIE PARTNERS, INC. LOGO]

156 Fifth Avenue
New York, New York 10010
Call Toll Free (800) 322-2885

THE DEALER MANAGER FOR THE OFFER IS:

GOLDMAN, SACHS & CO.

85 Broad Street
New York, New York 10004
(212) 902-1000 (Call Collect)
(800) 323-5678 (Toll Free)

LETTER OF TRANSMITTAL
TO TENDER SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
AND
SHARES OF SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.
PURSUANT TO THE OFFER TO PURCHASE
DATED AUGUST 11, 1999
BY
EG TWO ACQUISITION CO.
A SUBSIDIARY OF
CCPC ACQUISITION CORP.
AND AN AFFILIATE OF
BORDEN, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999, UNLESS THE OFFER IS EXTENDED.

THE DEPOSITARY FOR THE OFFER IS:

IBJ WHITEHALL BANK & TRUST COMPANY

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER DELIVERY:
P.O. Box 84 Bowling Green Station New York, New York 10274-0084 Attention: Reorganization Dept.	P.O. Box 84 Bowling Green Station New York, New York 10274-0084 Attention: Reorganization Dept.	One State Street New York, New York 10004 Attention: Reorganization Operations Dept. Securities Processing Window SC-1

BY FACSIMILE TRANSMISSION: (212) 858-2611

CONFIRM BY TELEPHONE: (212) 858-2103

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE NUMBER OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal is to be completed by stockholders, either if certificates for Shares or Rights, if applicable (as such terms are defined below), are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Purchase) is utilized, if tenders of Shares (as defined herein) or, if applicable, Rights are to be made by book-entry transfer into the account of IBJ Whitehall Bank & Trust Company, as Depositary (the "Depositary"), at the Depository Trust Company ("DTC") (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3 of the Offer to Purchase (as defined below). Stockholders who tender Shares or Rights by book-entry transfer are referred to herein as "Book-Entry Stockholders."

Holders of Shares to which rights are attached will be required to tender one Right for each such Share tendered in order to effect a valid tender of such Share. Unless and until a Distribution Date (as defined in the Offer to Purchase) occurs, a tender of Shares to which Rights are attached will also constitute a tender of the associated Rights. See Section 3 of the Offer to Purchase. If the Distribution Date has occurred, and certificates representing Rights (the "Rights Certificates") have been distributed to holders of Shares to which Rights are attached, such holders will be required to tender Rights Certificates representing a number of Rights equal to the number of Shares to which Rights were attached being tendered in order to effect a valid tender of such Shares. Holders of Shares and Rights whose certificates for such Shares (the "Share Certificates") and, if applicable, Rights Certificates are not immediately available or who cannot deliver their Share Certificates or, if applicable, Rights Certificates and all other required documents to the Depositary prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase), or who cannot complete the procedure for book-entry transfer on a timely basis, must tender their Shares and, if applicable, Rights according to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. See Instruction 2. DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

DESCRIPTION OF SHARES TENDERED

NAME(S) & ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN, IF BLANK, EXACTLY AS NAME(S) APPEAR(S) ON CERTIFICATE(S))	SHARES CERTIFICATE(S) AND SHARE(S) (ATTACH ADDITIONAL SIGNED LIST IF NECESSARY)		
	SHARE CERTIFICATE NUMBER(S)*	TOTAL NUMBER OF SHARES REPRESENTED BY CERTIFICATE(S)*	NUMBER OF SHARES TENDERED**
	TOTAL SHARES		

* NEED NOT BE COMPLETED BY BOOK-ENTRY STOCKHOLDERS.
** UNLESS OTHERWISE INDICATED, ALL SHARES REPRESENTED BY CERTIFICATES DELIVERED TO THE DEPOSITARY WILL BE DEEMED TO HAVE BEEN TENDERED.
SEE INSTRUCTION 4.

/ / CHECK HERE IF SHARES ARE BEING TENDERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution _____

Check the box of the Book-Entry Transfer Facility:

/ / The Depository Trust Company

Account Number _____ Transaction Code Number _____

/ / CHECK HERE IF SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Owner(s): _____

Window Ticket Number (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution that Guaranteed Delivery: _____

If delivered by Book-Entry Transfer, check the box of the Book-Entry Transfer Facility:

/ / The Depository Trust Company

Account Number _____ Transaction Code Number _____

DESCRIPTION OF RIGHTS TENDERED

NAME(S) & ADDRESSES OF REGISTERED HOLDER(S) (PLEASE FILL IN, IF BLANK, EXACTLY AS NAME(S) APPEAR(S) ON CERTIFICATE(S))	RIGHT(S) CERTIFICATE(S) AND RIGHT(S) (ATTACH ADDITIONAL SIGNED LIST IF NECESSARY)		
	RIGHTS CERTIFICATE NUMBER(S)*	TOTAL NUMBER OF RIGHTS REPRESENTED BY CERTIFICATE(S)*	NUMBER OF RIGHTS TENDERED**
	TOTAL RIGHTS		

* NEED NOT BE COMPLETED IF THE DISTRIBUTION DATE HAS NOT OCCURRED. SEE INSTRUCTION 5.

** UNLESS OTHERWISE INDICATED, ALL RIGHTS REPRESENTED BY CERTIFICATES DELIVERED TO THE DEPOSITARY WILL BE DEEMED TO HAVE BEEN TENDERED.
SEE INSTRUCTION 4.

/ / CHECK HERE IF RIGHTS ARE BEING TENDERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER RIGHTS BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution _____

Check the box of the Book-Entry Transfer Facility:

/ / The Depository Trust Company

Account Number _____ Transaction Code Number _____

/ / CHECK HERE IF RIGHTS ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Owner(s): _____

Window Ticket Number (if any): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution that Guaranteed Delivery: _____

If delivered by Book-Entry Transfer, check the box of the Book-Entry Transfer Facility:

/ / The Depository Trust Company

Account Number _____ Transaction Code Number _____

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

The undersigned hereby tenders to EG Two Acquisition Co., a Delaware corporation (the "Purchaser'), which is a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), the above-described shares of Common Stock, par value $0.01 per share (the "Common Shares") and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992, and December 22, 1992 and as amended and restated March 21, 1997 and amended on August 4, 1999 (as so amended, the "Rights Agreement"), between the Company and American Stock Transfer & Trust Company as Rights Agent (the "Rights Agent"), and the above described shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares") of Ekco Group, Inc., a Delaware corporation (the "Company"), at a purchase price of $7.00 per Share (including, if applicable, the associated Right), net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 11, 1999 (the "Offer to Purchase") and in this Letter of Transmittal (which, as amended from time to time, together constitute the "Offer"). Unless the context requires otherwise, all references to "Shares" to which Rights are attached shall be deemed to refer also to the associated Rights and all references to "Rights" shall be deemed to include all benefits that may inure to the stockholders of the Company or to holders of the Rights pursuant to the Rights Agreement. The undersigned understands that the Purchaser reserves the right to transfer or assign, in whole from time to time in part, to Parent or to one or more corporations, 80% or more of the outstanding capital stock of which is directly or indirectly owned by Parent, the right to purchase all or any portion of the Shares and Rights tendered pursuant to the Offer, receipt of which is hereby acknowledged.

Prior to the occurrence of a Distribution Date (as defined in the Offer to Purchase), a valid tender of Shares to which Rights are attached will constitute a tender of the associated Rights. The undersigned understands that if the Distribution Date has occurred and certificates representing Rights (the "Rights Certificates") have been distributed to holders prior to the date of tender of the Shares and, if applicable, Rights tendered herewith pursuant to the Offer, Rights Certificates representing a number of Rights equal to the number of Shares to which Rights were attached being tendered herewith must be delivered to the Depositary (as defined below) or, if available, a Book-Entry Confirmation (as defined herein) must be received by the Depositary with respect thereto in order for such Shares tendered herewith to be validly tendered. If the Distribution Date has occurred and Rights Certificates have not been distributed prior to the time Shares are tendered herewith pursuant to the Offer, the undersigned agrees to deliver Rights Certificates representing a number of Rights equal to the number of Shares to which Rights were attached tendered herewith to IBJ Whitehall Bank & Trust Company (the "Depositary") within three business days after the date such Rights Certificates are distributed. A tender of Shares to which Rights were attached without Rights Certificates constitutes an agreement by the tendering shareholder to deliver Rights Certificates representing a number of Rights equal to the number of Shares to which Rights were attached tendered pursuant to the Offer to the Depositary within three business days after the date such Rights Certificates are distributed. The undersigned understands that if the Distribution Date occurs prior to the Expiration Date, the Purchaser reserves the right to require that the Depositary receive such Rights Certificates or a Book-Entry Confirmation with respect to such Rights prior to accepting Shares for payment. In that event, payment for Shares to which Rights were attached tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of, or Book-Entry Confirmation with respect to, among other things, Rights Certificates, if Rights Certificates have been distributed to holders of such Shares.

Subject to, and effective upon, acceptance for payment for the Shares and, if applicable, Rights tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Purchaser all right, title and interest in and to all of the Shares and, if applicable, Rights that are being tendered hereby and any and all dividends, distributions (including additional Shares) or rights declared, paid or issued with respect to the tendered Shares and, if applicable, Rights on or after the date hereof and payable or distributable to the undersigned on a date prior to the transfer to the name of the Purchaser or nominee or transferee of the Purchaser on the Company's stock transfer records of the Shares and, if applicable, Rights tendered herewith (collectively, a "Distribution"), and appoints the Depositary the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares and, if applicable, Rights (and any Distribution) with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver such Share Certificates (as defined herein) (and any Distribution) or transfer ownership of such Shares and, if applicable, Rights (and any Distribution) on the account books maintained by the Book-Entry Transfer Facility, together in either case with appropriate evidences of transfer, to the Depositary for the account of the Purchaser, (b) present such Shares and, if applicable, Rights (and any Distribution) for transfer on the books of the Company and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares and, if applicable, Rights (and any Distribution), all in accordance with the terms and subject to the conditions of the Offer.

The undersigned irrevocably appoints designees of the Purchaser as such stockholder's proxy, with full power of substitution, to the full extent of such stockholder's rights with respect to the Shares and, if applicable, Rights tendered by such stockholder and accepted for payment by the Purchaser and with respect to any and all other shares or other securities issued or issuable in respect of such Shares or, if applicable, Rights on or after the date hereof. Such appointment will be effective when, and only to the extent that, the Purchaser accepts such Shares and, if applicable, Rights for payment. Upon such acceptance for payment, all prior proxies given by such stockholder with respect to such Shares and, if applicable, Rights, (and such other shares and securities) will be revoked without further action, and no subsequent proxies may be given nor any subsequent written consents executed (and, if given or executed, will not be deemed effective). The designees of the Purchaser will be empowered to exercise all voting and other rights of such stockholder as they in their sole discretion may deem proper at any annual or special meeting of the Company's stockholders or any adjournment or postponement thereof, by written consent in lieu of any such meeting or otherwise. The Purchaser reserves the right to require that, in order for Shares and, if applicable, Rights to be deemed validly tendered, immediately upon the Purchaser's payment for such Shares and, if applicable, Rights the Purchaser must be able to exercise full voting rights with respect to such Shares and, if applicable, Rights.

The undersigned hereby represents and warrants that (a) the undersigned has full power and authority to tender, sell, assign and transfer the Shares and, if applicable, Rights (and any Distribution) tendered hereby and (b) when the Shares and, if applicable, Rights are accepted for payment by the Purchaser, the Purchaser will acquire good, marketable and unencumbered title to the Shares and, if applicable, Rights (and any Distribution), free and clear of all liens, restrictions, charges and encumbrances, and the same will not be subject to any adverse claim. The undersigned, upon request, will execute and deliver any additional documents deemed by the Depositary or the Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares and, if applicable, Rights tendered hereby (and any Distribution). In addition, the undersigned shall promptly remit and transfer to the Depositary for the account of the Purchaser any and all Distributions in respect of the Shares and, if applicable, Rights tendered hereby, accompanied by appropriate documentation of transfer; and pending such remittance or appropriate assurance thereof, the Purchaser will be, subject to applicable law, entitled to all rights and privileges as owner of any such Distribution and may withhold the entire purchase price or deduct from the purchase price, the amount or value thereof, as determined by the Purchaser in its sole discretion.

All authority herein conferred or agreed to be conferred shall not be affected by and shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Tenders of Shares and, if applicable, Rights made pursuant to the Offer are irrevocable, except that Shares and, if applicable, Rights tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date (as defined in the Offer to Purchase) and, unless theretofore accepted for payment by the Purchaser pursuant to the Offer, may also be withdrawn at any time after October 9, 1999. See Section 4 of the Offer to Purchase.

The undersigned understands that tenders of Shares and, if applicable, Rights pursuant to any of the procedures described in Section 3 of the Offer to Purchase and in the instructions hereto will constitute a binding agreement between the undersigned and the Purchaser upon the terms and subject to the conditions set forth in the Offer, including the undersigned's representation that the undersigned owns the Shares and, if applicable, Rights being tendered.

The undersigned recognizes that, under certain circumstances set forth in the Offer to Purchase, Purchaser may terminate or amend the Offer or may not be required to accept for payment any of the Shares tendered herewith.

Unless otherwise indicated herein under "Special Payment Instructions," please issue the check for the purchase price and/or issue or return any certificate(s) for Shares and, if applicable, Rights not tendered or not accepted for payment in the name(s) of the registered holder(s) appearing under "Description of Shares Tendered" and "Description of Rights Tendered," respectively. Similarly, unless otherwise indicated herein under "Special Delivery Instructions," please mail the check for the purchase price and/or any certificates) for Shares and, if applicable, Rights not tendered or not accepted for payment (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing under "Description of Shares Tendered" and "Description of Rights Tendered," respectively. In the event that both the Special Delivery Instructions and the Special Payment Instructions are completed please issue the check for the purchase price and/or any certificate(s) for Shares and, if applicable, Rights not tendered or accepted for payment in the name of, and deliver such check and/or such certificates to, the person or persons so indicated. Unless otherwise indicated herein under "Special Payment Instructions," please credit any Shares and, if applicable, Rights tendered herewith by book-entry transfer that are not accepted for payment by crediting the account at the Book-Entry Transfer Facility (as defined herein) designated above. The undersigned recognizes that the Purchaser has no obligation, pursuant to the Special Payment Instructions, to transfer any Shares or, if applicable, Rights from the name(s) of the registered holder(s) thereof if the Purchaser does not accept for payment any of the Shares or, if applicable, Rights so tendered.

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SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if certificate(s) for Shares and, if applicable, Rights not tendered or not accepted for payment and/or the check for the purchase price of Shares and, if applicable, Rights accepted for payment are to be issued in the name of someone other than the undersigned or if Shares or, if applicable, Rights tendered by book-entry transfer which are not accepted for payment are to be returned by credit to an account maintained at the Book-Entry Transfer Facility.

Issue: / / check / / certificates to:

Name _____
(Please Print)

Address _____
_____
(Include Zip Code)

_____
(Tax Id. or Social Security No.)
(See Substitute Form W-9)

/ / Credit Shares and, if applicable, Rights tendered by book-entry transfer that are not accepted for payment to (Check):
/ / DTC

_____
(DTC Account No.)

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SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if certificate(s) for Shares and, if applicable, Rights not tendered or not accepted for payment and/or the check for the purchase price of Shares and, if applicable, Rights accepted for payment are to be sent to someone other than the undersigned at an address other than that shown above.

Issue: / / check / / certificates to:

Name _____

(Please Print)

Address _____

_____

(Include Zip Code)

_____

(Tax Id. or Social Security No.)
(See Substitution Form W-9)

- ---

SIGN HERE
AND COMPLETE SUBSTITUTE FORM W-9

X _____

X _____

Dated: _____, 1999

(Must be signed by registered holder(s) exactly as name(s) appear(s) on Share Certificate(s) or Rights certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, please provide the following information and see Instruction 5.)

Name(s) _____
(Please Print)

Capacity (full title) _____

Address _____
(Include Zip Code)

Area Code and Telephone Number _____

Tax Identification or Social Security Number _____

COMPLETE SUBSTITUTE FORM W-9

Guarantee of Signature(s)
(See Instructions 1 and 5)

Authorized Signature

Name _____

Name of Firm _____
(Please Print)

Address _____
(Include Zip Code)

Area Code and Telephone Number _____

Dated _____, 1999

INSTRUCTIONS
FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. GUARANTEE OF SIGNATURES. No signature guarantee is required on this Letter of Transmittal (a) if this Letter of Transmittal is signed by the registered holder(s) of Shares and, if applicable, Rights (which term, for purposes of this document, shall include any participant in the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Shares and/or Rights tendered) herewith, unless such holder(s) has completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" above, or (b) if such Shares and/or Rights are tendered for the account of a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (each of the foregoing being referred to as an "Eligible Institution"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5 of this Letter of Transmittal.

2. REQUIREMENTS OF TENDER. This Letter of Transmittal is to be completed by stockholders either if certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedure for tender by book-entry transfer set forth in Section 3 of the Offer to Purchase. Share Certificates evidencing tendered Shares, or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of Shares into the Depositary's account at the Book-Entry Transfer Facility, as well as this Letter of Transmittal (or a facsimile hereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth herein prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase) and, if applicable and if a Distribution Date occurs, Rights Certificates evidencing tendered Rights, or timely confirmation of a book-entry transfer of Rights into the Depositary's account at the Book-Entry Transfer Facility, if available (together with, if Rights are forwarded separately from Shares, a properly completed and duly executed Letter of Transmittal (or a facsimile hereof), with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by this Letter of Transmittal), must be received by the Depositary at one of its addresses set forth herein prior to the Expiration Date or, if later, within three business days after the date such Rights Certificates are distributed. Stockholders whose Share Certificates or, if applicable, Rights Certificates are not immediately available (including Rights Certificates that have not yet been distributed by the Company) or who cannot deliver their Share Certificates or, if applicable, Rights Certificates and all other required documents to the Depositary prior to the Expiration Date or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Shares and, if applicable, Rights by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Purchaser, must be received by the Depositary prior to the Expiration Date; (iii) the Share Certificates (or a Book-Entry Confirmation) representing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three American Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery; and (iv) the Rights Certificates, if issued, representing the appropriate number of Rights or a Book-Entry Confirmation, if available, in each case together with a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three American Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, or if later, three business days after Rights Certificates are distributed to shareholders, all as provided in Section 3 of the Offer to Purchase. If Share Certificates and Rights Certificates are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal must accompany each such delivery. Prior to a Distribution Date, a valid tender of Shares to which Rights are attached will constitute a tender of the associated Rights.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES OR RIGHTS, IF APPLICABLE, CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING STOCKHOLDER AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF BOOK ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares and Rights, if applicable, will be purchased. All tendering stockholders, by execution of this Letter of Transmittal (or a facsimile hereof), waive any right to receive any notice of the acceptance of their Shares and, if applicable, Rights for payment.

3. INADEQUATE SPACE. If the space provided herein is inadequate, the certificate numbers and/or the number of Shares and, if applicable, Rights and any other required information should be listed on a separate signed schedule attached hereto.

4. PARTIAL TENDERS. (Not Applicable to Book-Entry Stockholders) If fewer than all the Shares evidenced by any Share Certificates submitted are to be tendered, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered." If fewer than all the Rights evidenced by any Rights Certificates submitted are to be tendered, fill in the number of Rights which are to be tendered in the box entitled "Number of Rights Tendered." In such cases, new Share Certificates or Rights Certificates, as the case may be, for the Shares or Rights that were evidenced by your old Share Certificates or Rights Certificates, but were not tendered by you, will be sent to you, unless otherwise provided in the appropriate box on this Letter of Transmittal, as soon as practicable after the Expiration Date. All Shares represented by Share Certificates and, if applicable, all Rights represented by Rights Certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. SIGNATURES ON LETTER OF TRANSMITTAL, STOCK POWERS AND ENDORSEMENTS. If this Letter of Transmittal is signed by the registered holder(s) of the Shares and, if applicable, Rights tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever.

If any of the Shares and, if applicable, Rights tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any of the tendered Shares and, if applicable, Rights are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Purchaser of their authority so to act must be submitted.

If this Letter of Transmittal is signed by the registered holder(s) of the Shares and, if applicable, Rights listed and transmitted hereby, no endorsements of certificates or separate stock powers are required unless payment is to be made to or certificates for Shares or, if applicable, Rights not tendered or not purchased are to be issued in the name of a person other than the registered holder(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the certificate(s) listed, the certificate(s) must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the certificate(s). Signatures on such certificates or stock powers must be guaranteed by an Eligible Institution.

If Rights Certificates have been distributed to holders of Shares to which Rights are attached, such holders are required to tender Rights Certificate(s) representing a number of Rights equal to the number of such Shares tendered in order to effect a valid tender of such Shares. It is necessary that shareholders follow all signature requirements of this Instruction 5 with respect to the Rights in order to tender such Rights. Prior to a Distribution Date, a valid tender of Shares to which Rights are attached will constitute a tender of the associated Rights.

6. STOCK TRANSFER TAXES. Except as otherwise provided in this Instruction 6, the Purchaser will pay any stock transfer taxes with respect to the transfer and sale of Shares and, if applicable, Rights to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or if certificate(s) for Shares and, if applicable, Rights not tendered or accepted for payment are to be registered in the name of, any person other than the registered holder(s), or if tendered certificate(s) are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such person) payable on account of the transfer to such person will be deducted from the purchase price unless satisfactory evidence of the payment of such taxes or an exemption therefrom, is submitted. Except as otherwise provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the certificate(s) listed in this Letter of Transmittal.

7. SPECIAL PAYMENT AND DELIVERY INSTRUCTIONS. If a check is to be issued in the name of, and/or certificates for Shares and, if applicable, Rights not tendered or not accepted for payment are to be issued or returned to, a person other than the signer of this Letter of Transmittal or if a check and/or such certificates are to be returned to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown in this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed. A Book-Entry Stockholder may request that Shares and/or Rights not accepted for payment be credited to such account maintained at the Book-Entry Transfer Facility as the Book-Entry Stockholder may designate under "Special Payment Instructions." If no such instructions are given, such Shares or Rights not accepted for payment will be returned by crediting the account at the Book-Entry Transfer Facility designated above.

8. WAIVER OF CONDITIONS. Subject to the terms and conditions of the Merger Agreement (as defined in the Offer to Purchase), the conditions of the Offer (other than the Minimum Condition (as defined in the Offer to Purchase)) may be waived by the Purchaser in whole or in part at any time and from time to time in its sole discretion.

9. 31% BACKUP WITHHOLDING; SUBSTITUTE FORM W-9. Under U.S. Federal income tax law, a stockholder whose tendered Shares are accepted for payment is required to provide the Depositary with such stockholder's correct taxpayer identification number ("TIN") on Substitute Form W-9 below. If the Depositary is not provided with the correct TIN, the Internal Revenue Service may subject the stockholder or other payee to a $50 penalty. In addition, payments that are made to such stockholder or other payee with respect to Shares purchased pursuant to the Offer may be subject to 31% backup withholding.

Certain stockholders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, the stockholder must submit a Form W-8, signed under penalties of perjury, attesting to that individual's exempt status. A Form W-9 can be obtained from the Depositary. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

If backup withholding applies, the Depositary is required to withhold 31% of any such payments made to the stockholder or other payee. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

The box in Part 3 of the Substitute Form W-9 may be checked if the tendering stockholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the stockholder or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. Notwithstanding that the box in Part 3 is checked and the Certificate of Awaiting Taxpayer Identification Number is completed, the Depositary will withhold 31% of all payments made prior to the time a properly certified TIN is provided to the Depositary.

The stockholder is required to give the Depositary the TIN (e.g., social security number or employer identification number) of the record owner of the Shares or of the last transferee appearing on the transfers attached to, or endorsed on, the Shares. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report.

10. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions or requests for assistance may be directed to the Dealer Manager or the Information Agent at their respective addresses and telephone numbers set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from the Information Agent or the Dealer Manager or from brokers, dealers, commercial banks or trust companies.

11. LOST, DESTROYED OR STOLEN CERTIFICATES. If any certificate representing Shares or, if applicable and a Distribution Date occurs, Rights has been lost, destroyed or stolen, the stockholder should promptly notify the Depositary. The stockholder will then be instructed as to the steps that must be taken in order to replace the certificate. This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A FACSIMILE HEREOF), TOGETHER WITH CERTIFICATES OR CONFIRMATION OF BOOK-ENTRY TRANSFER OR THE NOTICE OF GUARANTEED DELIVERY, AND ALL OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRATION DATE.

PAYER'S NAME:		
SUBSTITUTE FORM W-9	Part 1--PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	Social Security Number or Employer Identification Number
DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE.	Part 2--Certification--Under the penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.	
PAYEE'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER ("TIN")	CERTIFICATION INSTRUCTIONS--You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of under-reporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out such item (2).	
SIGN HERE -->	Signature Date , 1999	PART 3-- Awaiting TIN / /

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF THE SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 31% of all reportable payments made to me will be withheld.

Signature _____ Date _____, 1999

THE INFORMATION AGENT FOR THE OFFER IS:

[MACKENZIE PARTNERS, INC. LOGO]

156 Fifth Avenue
New York, New York 10010
(212) 929-5500 (Call Collect) or
(800) 322-2885 (Toll Free)

THE DEALER MANAGER FOR THE OFFER IS:

GOLDMAN, SACHS & CO.

85 Broad Street
New York, New York 10004
(212) 902-1000 (Call Collect)
(212) 323-5678 (Toll Free)

August 11, 1999

NOTICE OF GUARANTEED DELIVERY
TO
TENDER SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
AND
SHARES OF SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.

As set forth in Section 3 of the Offer to Purchase described below, this instrument or one substantially equivalent hereto must be used to accept the Offer (as defined below) if certificates for Shares (as defined below) or, if applicable, the associated preferred share purchase rights (the "Rights") are not immediately available or the certificates for Shares or, if applicable, Rights and all other required documents cannot be delivered to IBJ Whitehall Bank & Trust Company (the "Depositary") on or prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase) or if the procedure for delivery by book-entry transfer cannot be completed on a timely basis. This instrument may be delivered by hand or transmitted by facsimile transmission or mailed to the Depositary.

THE DEPOSITARY FOR THE OFFER IS:

IBJ WHITEHALL BANK & TRUST COMPANY

BY MAIL:	BY HAND:	BY OVERNIGHT COURIER DELIVERY:
P.O. Box 84	P.O. Box 84	One State Street
Bowling Green Station	Bowling Green Station	New York, New York 10004
New York, New York 10274-0084	New York, New York 10274-0084	Attention: Reorganization Operations Dept.
Attention: Reorganization Dept.	Attention: Reorganization Dept.	Securities Processing Window SC-1

BY FACSIMILE TRANSMISSION: (212) 858-2611

CONFIRM BY TELEPHONE: (212) 858-2103

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TRANSMISSION OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

This form is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box in the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tender(s) to EG Two Acquisition Co., a Delaware corporation, which is a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 11, 1999 (the "Offer to Purchase"), and in the related Letter of Transmittal (which, as amended from time to time, together constitute the "Offer"), receipt of which is hereby acknowledged, the number of shares of Common Stock, par value $0.01 per share (the "Common Shares") and the associated Rights and the number of shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares"), of Ekco Group, Inc., a Delaware corporation, pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase.

Signature(s) _____

Name(s) of Record Holders

_____

Please Type or Print

Number of Shares and, if applicable, Rights _____

Certificate Nos. (if available) _____

_____

_____

Dated _____, 1999

Address(es) _____

_____

Zip Code

Area Code and Tel. No(s) _____

Check the box if Shares and, if applicable, Rights will be tendered by book-entry transfer

/ / The Depository Trust Company

Account Number _____

_____

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program, (a) represents that the above named person(s) "own(s)" the Shares and, if applicable, Rights tendered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended ("Rule 14e-4"), (b) represents that such tender of Shares and, if applicable, Rights complies with Rule 14e-4, (c) guarantees to deliver to the Depositary either the certificates evidencing all tendered Shares, in proper form for transfer, or to deliver Shares pursuant to the procedure for book-entry transfer into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility"), in either case together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase) in the case of a book-entry delivery, and any other required documents, all within three American Stock Exchange trading days after the date hereof and (d) guarantees, if a Distribution Date (as defined in the Offer to Purchase) occurs, to deliver certificates representing the Rights ("Rights Certificates) in proper form for transfer, or to deliver such Rights pursuant to the procedure for book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility, together with, if Rights are forwarded separately, the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase) in the case of a book-entry delivery, and any other required documents, all within the later of (1) three American Stock Exchange trading days after the date hereof and (2) three business days after the date the Rights Certificates are distributed to holders of Shares.

_____
Name of Firm

_____
Address

_____
Zip Code

_____
Area Code and Tel. No

_____
Authorized Signature

Name _____
Please Type or Print

Title _____

Dated _____, 1999

NOTE: DO NOT SEND CERTIFICATES FOR SHARES OR, IF APPLICABLE AND IF A DISTRIBUTION DATE OCCURS, RIGHTS WITH THIS NOTICE. CERTIFICATES FOR SHARES OR, IF APPLICABLE AND A DISTRIBUTION DATE OCCURS, RIGHTS SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
AND
SHARES OF SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.
AT
$7.00 NET PER SHARE
BY
EG TWO ACQUISITION CO.
A SUBSIDIARY OF
CCPC ACQUISITION CORP.
AND AN AFFILIATE OF
BORDEN, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999,
UNLESS THE OFFER IS EXTENDED.

August 11, 1999

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been appointed by EG Two Acquisition Co., a Delaware corporation (the "Purchaser"), which is a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), to act as dealer manager in connection with the Purchaser's offer to purchase for cash all the outstanding shares of Common Stock, par value $0.01 per share (the "Common Shares") and the associated preferred share purchase rights ("the Rights") issued pursuant to the Rights Agreement dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated March 21, 1997 and amended on August 4, 1999 (as so amended, the "Rights Agreement"), between the Company and American Stock Transfer & Trust Company and all outstanding shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares"), of Ekco Group, Inc., a Delaware corporation (the "Company"), at a purchase price of $7.00 per Share (including the associated Right, if applicable), net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated August 11, 1999 (the "Offer to Purchase"), and in the related Letter of Transmittal (which, as amended from time to time, together constitute the "Offer") enclosed herewith. Holders of Shares will be required to tender one Right for each Share tendered to which a Right is attached in order to effect a valid tender of such Share. If the Distribution Date (as defined in the Offer to Purchase) has not occurred prior to the time Shares to which Rights are attached are tendered pursuant to the Offer, a tender of such Shares will constitute a tender of

the associated Rights. If the Distribution Date has occurred and the certificates representing such Rights ("Rights Certificates") have been distributed by the Company to holders of Shares to which such Rights were attached, such holders of Shares will be required to tender Rights Certificates representing a number of Rights equal to the number of Shares to which such Rights were attached being tendered in order to effect valid tender of such Shares. Holders of Shares and, if applicable, Rights whose certificates for such Shares (the "Share Certificates") and, if applicable, Rights Certificates are not immediately available or who cannot deliver their Share Certificates and, if applicable, Rights Certificates and all other required documents to the Depositary (as defined below) prior to the Expiration Date (as defined in the Offer to Purchase), or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Shares and, if applicable, Rights according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. As used herein, unless the context otherwise requires, the term "Shares" includes the associated Rights, if applicable.

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

Enclosed herewith for your information and forwarding to your clients are copies of the following documents:

1. The Offer to Purchase, dated August 11, 1999.

2. The Letter of Transmittal to tender Shares for your use and for the information of your clients. Facsimile copies of the Letter of Transmittal may be used to tender Shares.

3. The Notice of Guaranteed Delivery for Shares to be used to accept the Offer if Share Certificates or, if applicable, Rights Certificates are not immediately available or if such certificates and all other required documents cannot be delivered to IBJ Whitehall Bank & Trust Company (the "Depositary") by the Expiration Date or if the procedure for book-entry transfer cannot be completed by the Expiration Date.

4. The Letter to Stockholders of the Company from the President and Chief Executive Officer of the Company, accompanied by the Company's Solicitation/Recommendation Statement on Schedule 14D-9, which includes the recommendation of the Board of Directors of the Company that stockholders accept the Offer and tender their Shares to the Purchaser pursuant to the Offer.

5. A printed form of letter which may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer.

6. Guidelines of the Internal Revenue Service for Certification of Taxpayer Identification Number on Substitute Form W-9.

7. A return envelope addressed to IBJ Whitehall Bank & Trust Company, the Depositary.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999, UNLESS THE OFFER IS EXTENDED.

The Offer is conditioned upon, among other things, (i) there being validly tendered and not withdrawn pursuant to the Offer prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase) such number of Shares which constitutes, more than 50% of the voting power (determined on a fully diluted basis) of all securities of the Company entitled to vote generally in a merger on the date of purchase (the "Minimum Condition"), and (ii) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended or any applicable foreign competition laws.

The Board of Directors of the Company (the "Board of Directors") has approved, by unanimous vote of the directors present, the Merger Agreement (as defined below) and the transactions contemplated thereby, including the Offer and the Merger (as defined below) and determined that terms of the Offer and the Merger are fair to, and in the best interests of, the holders of the Shares and recommends that the holders of the Shares accept the Offer and tender their Shares to the Purchaser pursuant to the Offer.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of August 5, 1999 (as amended, the "Merger Agreement"), by and among the Parent, the Purchaser and the Company. The Merger Agreement provides, among other things, for the making of the Offer by the Purchaser, and further provides that, following the completion of the Offer, upon the terms and subject to the conditions of the Merger Agreement, and in accordance with the Delaware General Corporation Law, the Purchaser will be merged with and into the Company (the "Merger"). Following the Merger, the Company will continue as the surviving corporation and become a subsidiary of the Parent, and the separate corporate existence of the Purchaser will cease.

In all cases, payment for shares accepted for payment pursuant to the Offer will be made only after the expiration of the Offer and after timely receipt by the Depositary of (i) a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Shares, and other required documents, and (ii) either Share Certificates and, if applicable, Rights Certificates, representing the tendered Shares and, if applicable, tendered Rights, or timely confirmation of a book-entry transfer of such Shares and, if applicable, Rights into the Depositary's account maintained at the Book-Entry Transfer Facility (as described in the Offer to Purchase), all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

If holders of Shares wish to tender, but it is impracticable for them to forward their Share Certificates or, if applicable, Rights Certificates or other required documents on or prior to the Expiration Date or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures specified in Section 3 of the Offer to Purchase.

The Purchaser will not pay any commissions or fees to any broker, dealer or other person (other than the Dealer Manager, the Depositary and MacKenzie Partners, Inc. (the "Information Agent") (as described in the Offer to Purchase)) for soliciting tenders of Shares pursuant to the Offer. The Purchaser will, however, upon request, reimburse you for customary clerical and mailing expenses incurred by you in forwarding any of the enclosed materials to your clients. The Purchaser will pay or cause to be paid any stock transfer taxes payable on the transfer of Shares to it, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

Inquiries you may have with respect to the Offer should be addressed to the Information Agent or the undersigned, at the respective addresses and telephone numbers set forth on the back cover of the Offer to Purchase. Additional copies of the enclosed materials may be obtained from the Information Agent.

Very truly yours,

GOLDMAN, SACHS & CO.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON THE AGENT OF THE PURCHASER, THE PARENT, THE DEALER MANAGER, THE COMPANY, THE DEPOSITARY OR THE INFORMATION AGENT, OR ANY AFFILIATE OF ANY OF THEM, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENT OR USE ANY DOCUMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE ENCLOSED DOCUMENTS AND THE STATEMENTS CONTAINED THEREIN.

OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
AND
ALL OF THE OUTSTANDING SHARES OF
SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.
AT
$7.00 NET PER SHARE
BY
EG TWO ACQUISITION CO.
A SUBSIDIARY OF
CCPC ACQUISITION CORP.
AND AN AFFILIATE OF
BORDEN, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999,
UNLESS THE OFFER IS EXTENDED.

August 11, 1999

To Our Clients:

Enclosed for your consideration is an Offer to Purchase dated August 11, 1999 (the "Offer to Purchase"), and the related Letter of Transmittal relating to an offer by EG Two Acquisition Co., a Delaware corporation (the "Purchaser"), which is a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), to purchase all of the outstanding shares of Common Stock, par value $0.01 per share (the "Common Shares"), and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated as of March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated March 21, 1997 and amended on August 4, 1999 (as so amended, the "Rights Agreement"), between the Company and American Stock Transfer & Trust Company as Rights Agent, and all of the outstanding shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares"), of Ekco Group, Inc., a Delaware corporation (the "Company"), at a purchase price of $7.00 per Share (including, if applicable, the associated Right), net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related Letter of Transmittal (which, as amended from time to time, together constitute the "Offer"). Unless the context requires otherwise, all references to "Shares" shall be deemed to refer also to the associated Rights, if applicable, and all references to "Rights" shall be deemed to include all benefits that may inure to the stockholders of the Company or to the holders of the Rights pursuant to the Rights Agreement. Holders of

Shares and Rights whose certificates for such Shares (the "Share Certificates") and, if applicable, for such Rights (the "Rights Certificates") are not immediately available or who cannot deliver their Share Certificates and, if applicable, Rights Certificates and all other required documents to IBJ Whitehall Bank & Trust Company, the Depositary, prior to the Expiration Date (as defined in the Offer to Purchase), or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Shares according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase.

WE ARE OR OUR NOMINEE IS THE HOLDER OF RECORD OF SHARES HELD BY US FOR YOUR ACCOUNT. A TENDER OF SUCH SHARES CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES HELD BY US FOR YOUR ACCOUNT.

We request instructions as to whether you wish to have us tender on your behalf any or all of such Shares held by us for your account, pursuant to the terms and subject to the conditions set forth in the Offer to Purchase.

Your attention is directed to the following:

1. The tender price is $7.00 per share, net to the seller in cash without interest thereon.

2. The Offer is made for all of the outstanding Shares.

3. The Board of Directors of the Company has approved, by unanimous vote of the directors present, the Merger Agreement (as defined below) and the transactions contemplated thereby, including the Offer and the Merger (as defined below), and determined that the terms of the Offer and the Merger are fair to, and in the best interests of, the holders of Shares and recommends that holders of Shares accept the Offer and tender their Shares to the Purchaser pursuant to the Offer.

4. The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of August 5, 1999 (as amended, the "Merger Agreement") by and among the Parent, the Purchaser and the Company. The Merger Agreement provides, among other things, that, subject to the terms and conditions of the Merger Agreement, subsequent to the consummation of the Offer, the Purchaser will merge with and into the Company.

5. THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999 UNLESS THE OFFER IS EXTENDED.

6. Tendering stockholders will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 6 of the Letter of Transmittal, stock transfer taxes on the purchase of Shares pursuant to the Offer.

7. The Offer is conditioned upon, among other things, (i) there being validly tendered and not withdrawn pursuant to the Offer prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase) such number of Shares which constitutes more than 50% of the voting power (determined on a fully diluted basis) of all securities of the Company entitled to vote generally in a merger on the date of purchase (the "Minimum Condition"), and (ii) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended or any applicable foreign competition laws.

The Offer is being made solely by the Offer to Purchase and the related Letter of Transmittal and is being made to all holders of Shares. The Purchaser is not aware of any state where the making of the Offer is prohibited by administrative or judicial action pursuant to any valid state statute. If the Purchaser becomes aware of any valid state statute prohibiting the making of the Offer or the acceptance of Shares pursuant thereto, the Purchaser will make a good faith effort to comply with any such state statute. If, after such good faith effort, the Purchaser cannot comply with such state statute, the Offer will not be made to,

nor will tenders be accepted from or on behalf of, the holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Purchaser by Goldman, Sachs & Co., the "Dealer Manager" for the Offer, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

If you wish to have us tender any or all of the Shares held by us for your account, please instruct us by completing, executing and returning to us the instruction form contained in this letter. An envelope in which to return your instructions to us is enclosed. If you authorize a tender of your Shares, all such Shares will be tendered unless otherwise specified in such instruction form. YOUR INSTRUCTIONS SHOULD BE FORWARDED TO US IN AMPLE TIME TO PERMIT US TO SUBMIT A TENDER ON YOUR BEHALF PRIOR TO THE EXPIRATION OF THE OFFER.

INSTRUCTIONS WITH RESPECT TO
THE OFFER TO PURCHASE FOR CASH
ALL OUTSTANDING SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED SHARE PURCHASE RIGHTS)
AND
SHARES OF SERIES B ESOP CONVERTIBLE PREFERRED STOCK
OF
EKCO GROUP, INC.
BY
EG TWO ACQUISITION CO.

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Purchase dated August 11, 1999 (the "Offer to Purchase") and the related Letter of Transmittal pursuant to an offer by EG Two Acquisition Co., a Delaware corporation, which is a wholly owned subsidiary of CCPC Acquisition Corp., a Delaware corporation, and an affiliate of Borden, Inc., a New Jersey corporation, to purchase all of the outstanding shares of Common Stock, par value $0.01 per share (the "Common Shares"), and the associated preferred share purchase rights (the "Rights"), and all of the outstanding shares of Series B ESOP Convertible Preferred Stock, par value $0.01 per share (the "ESOP Preferred Shares" and together with the Common Shares, the "Shares"), of Ekco Group, Inc., a Delaware corporation at a purchase price of $7.00 per Share, net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal.

This will instruct you to tender to the Purchaser the number of Shares indicated below (or, if no number is indicated below, all Shares which are held by you for the account of the undersigned), upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related Letter of Transmittal furnished to the undersigned.

- ---

Number of Shares (and, if applicable, Rights) to be Tendered*
_____ Shares (and, if applicable, Rights)

Dated _____, 1999
- ---
- ---
SIGN HERE

_____

_____
Signature(s)

_____
Please Print Name(s)

_____
Address(es)

_____
Area Code and Telephone Number(s)

_____
Tax, Identification, or Social Security Number(s)
- ---

* Unless otherwise indicated, it will be assumed that all of your Shares (and, if applicable, Rights) held by us for your account are to be tendered. Prior to a Distribution Date (as defined in the Offer to Purchase), a valid tender of Shares to which Rights are attached will constitute a tender of the associated Rights.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER.--Social Security numbers have nine digits separated by two hyphens: I.E., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen, I.E., 00-0000000. The table below will help determine the number to give the payer.

	FOR THIS TYPE OF ACCOUNT	GIVE THE SOCIAL SECURITY NUMBER OF--
1.	An individual's account	The individual
2.	Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3.	Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person(1)
4.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor(3)
5.	Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor(1)
6.	Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor, or incompetent person(3)
7.	a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
7	b. So-called trust account that is not a legal or valid trust under State law	The actual owner(4)
8.	Sole proprietorship account	The owner(4)

	FOR THIS TYPE OF ACCOUNT	GIVE THE SOCIAL SECURITY NUMBER OF--
9.	A valid trust, estate, or pension trust	The legal entity (Do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)(5)
10.	Corporate account	The corporation
11.	Religious, charitable, or educational organization account	The organization
12.	Partnership account held in the name of the partnership	The partnership
13.	Association, club, or other tax-exempt	The organization

	organization	
14.	A broker or registered nominee	The broker or nominee
15.	Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments	The public entity

- ----------
- ----------

(1) List first and circle the name of the person whose number you furnish.

(2) Circle the minor's name and furnish the minor's social security number.

(3) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.

(4) Show your individual name. You may also enter your business name. You may use either your Social Security Number or your Employer Identification Number.

(5) List first and circule the name of the legal trust, estate, or pension trust.

Note: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

OBTAINING A NUMBER:

If you do not have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number (for businesses and all other entites), at the local office of the Social Security Administration or the Internal Revenue Service (the "IRS") and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempted from backup withholding on AI.I, payments include the following:

- A corporation.
- A financial institution
- An organization exempt from tax under section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), or an individual retirement plan.
- The United States or any agency or instrumentalities.
- A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality.
- A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- An international organization or any agency or instrumentality thereof.
- A registered dealer in securities or commodities registered in the U.S. or a possession of the U.S.
- A real estate investment trust.
- A common trust fund operated by a bank under section 584(a) of the Code.
- An exempt charitable remainder trust, or non-exempt trust described in section 4947(a)(1) of the Code.
- An entity registered at all times under the Investment Company Act of 1940.
- A foreign central bank of issue.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under section 1441 of the Code.
- Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.
- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under section 852 of the Code).
- Payments described in section 6049(b)(5) of the Code to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451 of the Code.
- Payments made by certain foreign organizations.
- Payments made to a nominee.

Exempt payees described above should file a Form W-9 to avoid possible

erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, SIGN AND DATE THE FORM AND RETURN IT TO THE PAYER. IF YOU ARE A NONRESIDENT ALIEN OR A FOREIGN ENTITY NOT SUBJECT TO BACKUP WITHHOLDING, FILE WITH PAYER A COMPLETED INTERNAL REVENUE FORM W-8 (CERTIFICATE OF FOREIGN STATUS).

Certain payments other than interest, dividends, and patronage dividends, that are not subject to information reporting are also not subject to backup withholding. For details, see the sections 6041, 6041A, 6041A(a), 6045, 6050A and 6050N of the Code and the regulations promulgated therein.

PRIVACY ACT NOTICE. Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31% of taxable interest, diviends and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES:

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER--If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING-- If you make a false statement with no reasonable basis that results in no imposition of backup withholding, you are subject to a penalty of $500.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION-- Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION, CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made solely by the Offer to Purchase dated August 11, 1999 and the related Letter of Transmittal (and any amendments thereto) and is being made to all holders of Shares. The Purchaser (as defined below) is not aware of any state where the making of the Offer is prohibited by administrative or judicial action pursuant to a state statute. If the Purchaser becomes aware of any state where the making of the Offer is prohibited, the Purchaser will make a good faith effort to comply with any such statute. If, after such good faith effort, the Purchaser cannot comply with any applicable statute, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Shares in such state. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Purchaser by Goldman, Sachs & Co. or one or more registered brokers or dealers licensed under the laws of such jurisdictions.

Notice of Offer to Purchase for Cash
All Outstanding Shares of Common Stock
(Including the Associated Preferred Stock Purchase Rights)
and
Series B ESOP Convertible Preferred Stock
of
Ekco Group, Inc.
at
$7.00 Net Per Share
by
EG Two Acquisition Co.
a subsidiary of
CCPC Acquisition Corp.
and an affiliate of
Borden, Inc.

EG Two Acquisition Co., a Delaware corporation (the "Purchaser"), and a subsidiary of CCPC Acquisition Corp., a Delaware corporation (the "Parent"), and an affiliate of Borden, Inc., a New Jersey corporation ("Borden"), is hereby offering to purchase all of the outstanding shares of Common Stock, par value $.01 per share (the "Common Shares") and the associated preferred stock purchase rights (the "Rights") issued pursuant to the Rights Agreement, dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated as of March 21, 1997 and amended on August 4, 1999 between the Company and American Stock Transfer & Trust Company, as rights agent (the "Rights Agent"), and all of the outstanding shares of Series B ESOP Convertible Preferred Stock, par value $.01 per share (the "ESOP Preferred Shares" and, together with the Common Shares, the "Shares") of Ekco Group, Inc., a Delaware corporation (the "Company"), at a purchase price of $7.00 per Share (including, if applicable, associated Rights), net to the seller in cash without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase dated August 11, 1999 (the "Offer to Purchase") and in the related Letter of Transmittal (which, as amended from time to time, together constitute the "Offer").

Unless the context requires otherwise, all references to Shares shall be deemed to refer also to the associated Rights, if applicable, and all references to Rights shall be deemed to include all benefits that may inure to the stockholders of the Company or to holders of Rights pursuant to the Rights Agreement. Holders of Shares to which Rights are attached will be required to tender one Right for each Share tendered in order to effect a valid tender of such Share. If separate certificates for the Rights ("Rights Certificates") are not issued, a tender of Shares to which Rights are attached will also constitute a tender of associated Rights.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON WEDNESDAY, SEPTEMBER 8, 1999, UNLESS THE OFFER IS EXTENDED.

The Offer is conditioned upon, among other things, (i) there being validly tendered and not withdrawn pursuant to the Offer prior to the expiration of the Offer such number of Shares which constitutes more than 50% of the voting power (determined on a fully-diluted basis) of all the securities of the Company entitled to vote generally in a merger and (ii) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Act of 1976, as amended or any applicable foreign competition laws.

The purpose of the Offer is to acquire control of, and the entire equity interest in, the Company. Following the consummation of the Offer, the Purchaser intends to effect the Merger, as described below.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of August 5, 1999 (as amended, the "Merger Agreement"), by and among the Parent, the Purchaser and the Company. Borden has guaranteed certain obligations of the Parent and the Purchaser under the Merger Agreement. The Merger Agreement provides, among other things, for the making of the Offer by the Purchaser, and further provides that, following the completion of the Offer, upon the terms and subject to the conditions of the Merger Agreement, and in accordance with the Delaware General Corporation Law (the "DGCL"), the Purchaser will be merged with and into the Company (the "Merger"), and (i) each Common Share issued and outstanding immediately prior to the effective time of the Merger (other than Common Shares owned by the Company and Common Shares owned by the Parent, the Purchaser or any direct or indirectly wholly owned subsidiary of the Parent or the Purchaser, which shall be cancelled, retired and cease to exist and other than Common Shares, if any, held by stockholders who have properly exercised appraisal rights under the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the Common Shares, be converted into the right to receive $7.00 in cash, payable to the holder thereof, without interest, upon the surrender of the certificate formerly representing such Common Share, less any required withholding taxes and (ii) each ESOP Preferred Share issued and outstanding immediately prior to the effective time of the Merger (other than ESOP Preferred Shares owned by the Company and ESOP Preferred Shares owned by the Parent, the Purchaser or any direct or indirectly wholly owned subsidiary of the Parent or the Purchaser, which shall be cancelled, retired and cease to exist and other than ESOP Preferred Shares, if any, held by stockholders who have properly exercised appraisal rights under the DGCL) will, by virtue of the Merger and without any action on the part of the holders of the ESOP Preferred Shares, be converted into the right to receive the amount of consideration that a holder of the number of Common Shares into which such ESOP Preferred Shares were convertible immediately prior to the Effective Time would be entitled to receive in the Merger, without interest, upon the surrender of the certificate formerly representing such ESOP Preferred Share, less any required withholding taxes. The Merger Agreement is more fully described in Section 11 of the Offer to Purchase.

THE BOARD OF DIRECTORS OF THE COMPANY HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER, AND DETERMINED THAT THE TERMS OF THE OFFER AND THE MERGER ARE FAIR TO, AND IN THE BEST INTERESTS OF, THE HOLDERS OF SHARES AND RECOMMENDS THAT HOLDERS OF SHARES ACCEPT THE OFFER AND TENDER THEIR SHARES TO THE PURCHASER PURSUANT TO THE OFFER.

For purposes of the Offer, the Purchaser will be deemed to have accepted for payment (and thereby purchased) Shares validly tendered and not properly withdrawn as, if and when the Purchaser gives oral or written notice to IBJ Whitehall Bank & Trust Company (the "Depositary") of the Purchaser's acceptance of such Shares for payment pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares accepted for payment pursuant to

the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payments from the Purchaser and transmitting such payments to stockholders whose Shares have been accepted for payment. Under no circumstances will interest on the purchase price for Shares be paid by the Purchaser, regardless of any extension of the Offer or any delay in making such payment. In all cases, payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates representing Shares (the "Share Certificates") and, if applicable, Rights Certificates, or timely confirmation of a book-entry transfer of such Shares and, if applicable, Rights into the Depositary's account at a Book-Entry Transfer Facility (as defined in Section 2 of the Offer to Purchase) pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (ii) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message (as defined in Section 2 of the Offer to Purchase) in connection with a book-entry transfer, and (iii) any other documents required by the Letter of Transmittal.

Subject to the applicable rules and regulations of the Securities and Exchange Commission and the terms of the Merger Agreement, the Purchaser expressly reserves the right (but shall not be obligated), in its sole discretion, at any time and from time to time, and regardless of whether or not any of the events set forth in Section 15 of the Offer to Purchase shall have occurred, to (i) extend the period of time during which the Offer is open and thereby delay acceptance for payment of, and the payment for, any Shares, by giving oral or written notice of such extension to the Depositary and (ii) amend the Offer in any respect by giving oral or written notice of such amendment to the Depositary. Any extension, delay, termination, waiver or amendment will be followed as promptly as practicable by public announcement to be made no later than 9:00 A.M., New York City time, on the next business day after the previously scheduled Expiration Date. During any such extension, all Shares previously tendered and not properly withdrawn will remain subject to the Offer, subject to the rights of a tendering stockholder to withdraw such stockholder's Shares.

The term "Expiration Date" means 12:00 Midnight, New York City time, on September 8, 1999, unless and until the Purchaser, in its sole discretion (but subject to the terms and conditions of the Merger Agreement), shall have extended the period during which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date at which the Offer, as so extended by the Purchaser, shall expire.

Tenders of Shares made pursuant to the Offer are irrevocable, except that Shares tendered pursuant to the Offer may be withdrawn at any time on or prior to the Expiration Date and, unless theretofore accepted for payment by the Purchaser pursuant to the Offer, may also be withdrawn at any time after October 9, 1999. For a withdrawal to be effective, a written, telegraphic, telex or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of the Offer to Purchase. Any notice of withdrawal must specify the name of the person who tendered such Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder, if different from that of the person who tendered such Shares. If Share Certificates to be withdrawn have been delivered or otherwise identified to the Depositary, then prior to the physical release of such certificates, the serial numbers shown on such certificates must be submitted to the Depositary and, unless such Shares have been tendered by an Eligible Institution (as defined in Section 3 of the Offer to Purchase), the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution. If the Shares have been tendered pursuant to the procedure for book-entry transfer as set forth in Section 3 of the Offer to Purchase, any notice of withdrawal

must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares, in which case a notice of withdrawal will be effective if delivered to the Depositary by any method of delivery described in the second sentence of this paragraph. A withdrawal of Shares shall also constitute a withdrawal of the associated Rights, as applicable. All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Purchaser, in its sole discretion, which determination will be final and binding.

The information required to be disclosed by Rule 14d-6(e)(1)(vii) of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase and is incorporated by reference.

The Company has provided the Purchaser with the Company's stockholder list and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase and the related Letter of Transmittal and other relevant materials will be mailed by the Purchaser to record holders of Shares and furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

The Offer to Purchase and the related Letter of Transmittal contain important information which should be read carefully before any decision is made with respect to the Offer.

Questions and requests for assistance may be directed to the Dealer Manager or the Information Agent as set forth below. Requests for copies of the Offer to Purchase and the related Letter of Transmittal and all other tender offer materials may be directed to the Information Agent or the Dealer Manager, and copies will be furnished promptly at the Purchaser's expense. The Purchaser will not pay any fees or commissions to any broker or dealer or any other person (other than the Dealer Manager and the Information Agent) for soliciting tenders of Shares pursuant to the Offer.

The Information Agent for the Offer is:

[LOGO]
156 Fifth Avenue
New York, New York 10010
(212) 929-5500 (Call Collect)
or
Call Toll-Free (800) 322-2885

The Dealer Manager for the Offer is:

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004
(212) 902-1000 (Call Collect)
(800) 323-5678 (Toll-Free)

August 11, 1999

Exhibit 11(a)(8)

[MORGAN-WALKE ASSOCIATES, INC. LETTERHEAD]

NEWS RELEASE

For: Corning Consumer Products Company and EKCO Group, Inc.

Contact: David T. Lanzillo
Corning Consumer Products
(607) 377-8259
lanzillodt@ccpci.com

Anthony P. Deasey
Chief Financial Officer
Corning Consumer Products
(607) 377-8005

FOR IMMEDIATE RELEASE

Don DeNovellis Chief Financial Officer EKCO Group, Inc.
(603) 888-1212

CORNING CONSUMER PRODUCTS COMPANY TO ACQUIRE EKCO GROUP, INC.

Elmira, NY, and Nashua, NH, August 5, 1999 -- Corning Consumer Products Company and EKCO Group, Inc. (AMEX:EKO) today announced the signing of a definitive merger agreement for CCPC Acquisition Corp. (the parent of Corning Consumer Products) to acquire EKCO Group for $7.00 per share in a cash transaction valued at approximately $300 million, including the assumption of debt. The per-share price represents a 56 percent premium over EKCO Group's closing price of $4.50 per share in American Stock Exchange trading on August 4, 1999.

The transaction provides for an all-cash tender offer by CCPC Acquisition for all of the EKCO Group shares outstanding to commence within five business days. The agreement has been approved by the Board of Directors of EKCO Group. The tender offer is expected to close by September 10, unless extended, and is subject to the valid tender of at least a majority of the outstanding EKCO Group shares on a fully diluted basis, and to customary government filings and other customary conditions.

"EKCO Group's metal bakeware brands, which include EKCO(R), Baker's Secret(R) and FARBERWARE(R) products, hold the number one position in this category," said Peter F. Campanella,

President and Chief Executive Officer of Corning Consumer Products, "just as we are the leader in glass and ceramic ovenware and bakeware with Corningware(R) and Pyrex(R) brands. We are delighted to be adding the EKCO(R) kitchen tools as well, which is an excellent complement to the premium OXO(R) line of kitchen tools that we will be gaining as part of our pending General Housewares acquisition announced just three days ago.

"Corning Consumer Products will soon be offering consumers a broader range of branded kitchen housewares products," Campanella continued, "and we will be selling through a wider range of housewares retailers as well."

Malcolm L. Sherman, Chairman and Chief Executive Officer of EKCO Group, added, "Through this transaction, we are pleased to be delivering significant value to our shareholders. We believe that the prospects for the combined businesses are exceptional. Corning Consumer Products has an excellent reputation for producing high quality products with a strong portfolio of brand names, which complements EKCO Group's family of powerful brands that are some of the most widely recognized household names in the country. We are confident that an organization of Corning Consumer's caliber will continue to develop the brands we have worked so hard to build, as well as provide our employees with significant opportunities for professional advancement."

Corning Consumer Products Company has been an affiliate of Borden, Inc. and a member of the Borden Family of Companies since April 1998. Each member of the Borden Family is privately owned by its own management and by affiliates of the investment firm Kohlberg Kravis Roberts & Co. Borden, Inc. provides significant management and financial control across the family.

"When Corning Consumer Products joined the Borden Family of Companies, I stated that the vision for Corning Consumer included building a broader business in kitchen housewares," said C. Robert Kidder, Chairman and Chief Executive Officer of Borden, Inc. "The acquisitions of EKCO Group and General Housewares are key steps in that direction and will enhance Corning Consumer's ability to serve both consumers and retailers."

The tender offer for EKCO Group shares will be made only through definitive tender offer documents, which will be filed with the Securities and Exchange Commission and mailed to the stockholders of EKCO Group. Following the completion of the tender offer, it is contemplated that the holders of any then-outstanding common shares will receive, in a second-step merger, the same $7.00 per share cash consideration as holders will receive in the tender offer. EKCO Group was advised in the transaction by Lehman Brothers, and Corning Consumer and Borden were advised by Goldman Sachs.

EKCO Group, Inc. is a leading manufacturer and marketer of branded consumer products that are broadly marketed primarily through major mass merchant, supermarket, home, hardware, specialty and department stores. The Company's products include household items such as bakeware, kitchenware, pantryware, brooms, brushes and mops, as well as nonpoisonous and low-toxic household pest control products and small animal care and control products. In addition, the Company also markets pet supplies and accessories, such as ropes, chews, collars and leashes, through its subsidiary, Aspen Pet Products. EKCO Group, headquartered in Nashua, New Hampshire, posted sales of $328 million in fiscal 1998 and employs approximately 1,150 people.

Corning Consumer Products Company, headquartered in Elmira, N.Y., markets housewares products under the Corningware(R), Corelle(R), Revere(R), Pyrex(R) and Visions(R) brand names. The company posted sales of $533 million in 1998, employs approximately 3,000 people and has facilities in Asia, Australia, Latin America and the United States.

On August 2, Corning Consumer Products announced a definitive merger agreement providing for the acquisition of General Housewares Corp., a leading producer of kitchen and other household products, in a $145 million transaction.

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements. Such factors and uncertainties include, but are not limited to: the impact of the level of the EKCO Group, Inc's ("the Company") indebtedness; restrictive covenants contained in the Company's various debt documents; general economic conditions and conditions in the retail environment; the Company's dependence on a few large customers; price fluctuations in the raw materials used by the Company; competitive conditions in the Company's markets; the timely introduction of new products and costs associated therewith; the impact of competitive products and pricing; certain assumptions related to consumer purchasing patterns; the seasonal nature of the Company's business; the timely implementation by the Company of its Year 2000 Project, the future costs associated with its Year 2000 Project and the timely conversion by key vendors, customers, suppliers and other third parties on which the Company's business relies; and the impact of federal, state and local environmental requirements including the impact of current or future environmental claims against the Company). As a result, the Company's results may fluctuate. Additional information concerning risk factors that could cause actual results to differ from those projected in the forward-looking statements is contained in the Company's filings with the Securities and Exchange Commission. These forward-looking statements represent the Company's best estimates as of the date of this press release. The Company assumes no obligation to update such estimates except as required by the rules and regulations of the Securities and Exchange Commission. FARBERWARE(R) is a registered trademark of Farberware, Inc.(R).

For more information regarding EKCO Group, please contact: Morgen-Walke Associates 212-850-5600

Investor Contact:
Stacey Bibi, Caroline Eustace

Press Relations:
Michael McMullan/Stacy Roth

AGREEMENT AND PLAN OF MERGER
AMONG
EKCO GROUP, INC.,
CCPC ACQUISITION CORP.
AND
EG TWO ACQUISITION CO.

DATED AS OF AUGUST 5, 1999

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (the "Agreement"), made and entered into as of the 5th day of August, 1999, by and among CCPC ACQUISITION CORP., a Delaware corporation ("ACQUIROR"), EG TWO ACQUISITION CO., a Delaware corporation (the "Acquisition Subsidiary"), and EKCO GROUP, INC., a Delaware corporation ("EKCO").

W I T N E S S E T H:

WHEREAS, the Board of Directors of each of ACQUIROR and Acquisition Subsidiary have approved, and declared it to be advisable and in the best interests of their respective stockholders, for Acquisition Subsidiary to make the Offer (as defined below) and following the consummation of the Offer to effect the Merger (as defined below), upon the terms and subject to the conditions provided herein;

WHEREAS, the Board of Directors of EKCO has unanimously determined that it is fair to and in the best interests of EKCO and its stockholders to approve Acquisition Subsidiary's proposed acquisition and has resolved (i) to recommend that the stockholders of EKCO accept the Offer (as defined below) and tender their shares of Common Stock, par value $.01 per share (the "EKCO Common Stock") and the associated preferred share purchase rights (the "Rights") issued pursuant to the Rights Agreement dated March 27, 1987, as amended on June 9, 1988, January 10, 1989, March 23, 1992 and December 22, 1992 and as amended and restated as of March 21, 1997 between EKCO and American Stock Transfer & Trust Company, the rights agent (as so amended and restated, the "Rights Agreement"), and their shares of Series B ESOP Convertible Preferred Stock, par value $.01 per share, (the "ESOP Preferred Stock" and, together with the EKCO Common Stock and associated rights, the "EKCO Shares"), pursuant to the Offer and (ii) to approve and declare advisable the merger (the "Merger") of Acquisition Subsidiary with and into EKCO, with EKCO being the surviving corporation (the "Surviving Corporation"), in accordance with the General Corporation Law of the State of Delaware ("DGCL") following consummation of the Offer;

WHEREAS, in furtherance of the foregoing, Acquisition Subsidiary will make a cash tender offer (the "Offer") in compliance with Section 14(d)(1) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, to acquire all of the issued and outstanding EKCO Shares for $7.00 per EKCO Share (such amount, or any greater amount per EKCO Share paid pursuant to the Offer, being hereinafter referred to as the "Per Share Amount"), net to the seller in cash without interest thereon less any requested withholding taxes, upon the terms and subject to the conditions of this Agreement; and that the Offer will be followed by the Merger, pursuant to which each issued and outstanding EKCO Share not owned by Acquisition Subsidiary or ACQUIROR (other than Dissenting Shares (as defined below)) will be converted into the right to receive the Per Share Amount, upon the terms and subject to the conditions provided herein; and

WHEREAS, the Board of Directors of EKCO has received the written opinion of Lehman Brothers, Inc. ("Lehman Brothers") that the consideration to be received by the holders of EKCO Shares pursuant to the Offer and the Merger is fair to such holders from a financial point of view;

NOW, THEREFORE, in consideration of the premises, and the mutual covenants and agreements contained herein, the parties hereto do hereby agree as follows:

ARTICLE I

THE OFFER

1.1. THE OFFER.

(a) Not later than the first business day after the date of this Agreement, ACQUIROR, Acquisition Subsidiary and EKCO will make a public announcement of the Offer.

(b) Provided that this Agreement shall not have been terminated in accordance with Section 7.1 and none of the events set forth in ANNEX A hereto shall have occurred or be existing, Acquisition Subsidiary shall commence, in accordance with the terms hereof, the Offer and ACQUIROR shall cause Acquisition Subsidiary to commence, within the meaning of Rule 14d-2 under the Exchange Act, as amended, including the rules and regulations promulgated thereunder (the "Exchange Act"), the Offer as promptly as reasonably practicable after the date hereof, but in no event later than five (5) business days (as such term is defined in Rule 14d-1 under the Exchange Act) after the initial public announcement of Acquisition Subsidiary's intention to commence the Offer. The obligation of Acquisition Subsidiary to accept for payment and pay for EKCO Shares tendered pursuant to the Offer shall be subject only to satisfaction or waiver (other than a waiver of the Minimum Condition requirement) of the conditions set forth in ANNEX A hereto (unless the failure of any such condition was caused by any material breach by ACQUIROR or Acquisition Subsidiary of this Agreement in which case Acquisition Subsidiary shall be obligated to accept for payment and pay for EKCO Shares tendered pursuant to the Offer provided that such failure has been waived by EKCO), including the condition that a number of EKCO Shares representing that number of EKCO Shares which would equal more than fifty percent (50%) of the voting power (determined on a fully-diluted basis), of all the securities of EKCO entitled to voted generally in a merger shall have been validly tendered and not withdrawn prior to the expiration date of the Offer (the "Minimum Condition"). Acquisition Subsidiary expressly reserves the right to waive any such condition, to increase the Per Share Amount and to make any other changes in the terms and conditions of the Offer; PROVIDED, HOWEVER, that, without the prior written consent of EKCO, Acquisition Subsidiary will not (i) decrease the Per Share Amount below $7.00 (ii) reduce the minimum number of EKCO Shares to be purchased in the Offer, (iii) change the form of the consideration payable in the Offer (other than by adding consideration), (iv) add to, modify or supplement the conditions to the Offer set forth in ANNEX A hereto, (v) extend the expiration date of the Offer beyond the twenty (20) business days following the commencement thereof, except as expressly provided herein or (vi) make any other change in the terms or conditions of the Offer which is materially adverse to the holders of EKCO Shares, it being agreed that a waiver by Acquisition Subsidiary of any condition in whole or in part (other than the Minimum Condition) at any time and from time to time in its discretion shall not be deemed to be materially adverse to any holder of EKCO Shares. The Per Share Amount shall, subject to any applicable withholding of taxes, be net to each seller in cash, upon the terms and subject to the conditions of the Offer. Subject to the terms and conditions of the Offer, Acquisition Subsidiary shall, and ACQUIROR shall cause Acquisition Subsidiary to, accept for payment and pay, as promptly as practicable after expiration of the Offer, for all EKCO Shares validly tendered and not withdrawn; provided, that Acquisition Subsidiary shall have the right, in its sole discretion, to extend the Offer from time to time for up to a maximum of 15 business days, notwithstanding the prior satisfaction of the conditions contained in ANNEX A if on such expiration date there shall not have been tendered that number of EKCO Shares which would equal more than 90% of the issued and outstanding EKCO Shares (the "15 Day Right") and provided further, that if Acquisition Subsidiary shall extend the Offer pursuant to the 15 Day Right, Acquisition Subsidiary shall waive during such 15 business days all conditions set forth in ANNEX A other than the Minimum Condition and the conditions set forth in paragraphs (a), (b) and (d) in ANNEX A.

(c) On the date of commencement of the Offer, ACQUIROR and Acquisition Subsidiary shall file with the Securities and Exchange Commission (the "SEC") a Tender Offer Statement on Schedule 14D-1, including all exhibits thereto (together with all amendments and supplements thereto, the "Schedule 14D-1"), with respect to the Offer. The Schedule 14D-1 shall contain or shall incorporate by reference an offer to purchase (the "Offer to Purchase") and the forms of related Letters of Transmittal as well as all other information and exhibits required by law (the Schedule 14D-1, the Offer to Purchase and such other documents, together with all supplements and amendments thereto, being referred to herein collectively as the "Offer Documents"). The Offer Documents will comply in all material respects with the provisions of applicable federal securities laws and, on the date filed with the SEC and on the date first published, sent or given to EKCO's stockholders, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading except that no representation is made by ACQUIROR and Acquisition Subsidiary with respect to information supplied by EKCO for inclusion in the Offer Documents. ACQUIROR, Acquisition Subsidiary and EKCO shall correct promptly any information provided by any of them for use in the Offer Documents which shall become false or misleading, and ACQUIROR and Acquisition Subsidiary shall take all steps necessary to cause the Schedule 14D-1, as so corrected, to be filed with the SEC and the other Offer Documents, as so corrected, to be disseminated to holders of EKCO Shares, in each case as and to the extent required by applicable federal securities laws. EKCO and its counsel shall be given the reasonable opportunity to review and comment on the Offer Documents prior to the filing thereof with the SEC. ACQUIROR and Acquisition Subsidiary shall provide EKCO and its counsel with a copy of any written comments or telephonic notification of any oral comments ACQUIROR or Acquisition Subsidiary may receive from the SEC or its staff with respect to the Offer Documents promptly after the receipt thereof. In the event that ACQUIROR or Acquisition Subsidiary receives any comments from the SEC or its staff with respect to the Offer Documents, each shall use its reasonable best efforts to respond promptly to such comments and take all other actions necessary to resolve the issues raised therein.

(d) (i) Subject to the terms and conditions hereof, the Offer shall initially remain open until midnight, New York City time, on the date that is twenty (20) business days after the Offer is commenced (within the meaning of Rule 14d-2 under the Exchange Act) (the "Initial Expiration Date").

(ii) If Acquisition Subsidiary does not consummate the Offer on the Initial Expiration Date due to the failure of one or more conditions in ANNEX A to be satisfied, Acquisition Subsidiary shall extend the Offer one or more times until the earlier of (x) 11:59 p.m. New York time on the 60th calendar day after the date of this Agreement or (y) two business days after such time as such condition or conditions are satisfied or waived; PROVIDED that Acquisition Subsidiary shall not be obligated to extend the Offer pursuant to this sentence if the condition that has not been satisfied is not reasonably capable of being satisfied at or prior to the time referred to in clause (x) above; provided, further, that nothing herein shall prohibit Acquisition Subsidiary from exercising its 15 Day Right.

(iii) If Acquisition Subsidiary does not consummate the Offer on or prior to the 60th calendar day after the date of this Agreement due to the failure of one or more conditions in ANNEX A to be satisfied, and if such unsatisfied condition or conditions are reasonably capable of being satisfied, Acquisition Subsidiary shall, at the request of EKCO, extend the Offer one or more times until the earlier of (x) 11:59 p.m. New York time on the 120th calendar day after the date of this Agreement or (y) two business days after such time as such condition or conditions are satisfied or waived; provided, further, that nothing herein shall prohibit Acquisition Subsidiary from exercising its 15 Day Right.

(iv) If Acquisition Subsidiary does not consummate the Offer on or prior to the 60th calendar day after the date of this Agreement due to the failure of one or more conditions in ANNEX A to be satisfied, and if such unsatisfied condition or conditions are reasonably capable of being satisfied, Acquisition Subsidiary may extend the Offer one or more times until (a) the 120th calendar day after the date of this Agreement or (b) until the 180th calendar day after the date of this Agreement if the Offer shall not have been consummated solely due to the waiting period (or any extension thereof) or approvals under the HSR Act or any applicable foreign competition laws not having expired or been terminated or received.

(v) Acquisition Subsidiary may at any time transfer or assign to ACQUIROR or to one or more corporations, 80% or more of the outstanding capital stock of which is directly or indirectly owned by ACQUIROR, the right to purchase all of the EKCO Shares tendered pursuant to the Offer, but any such transfer or assignment shall not relieve ACQUIROR or Acquisition Subsidiary of its obligations hereunder or prejudice the rights of stockholders or holders of EKCO Options or EKCO Warrants to receive payment for EKCO Shares validly tendered and accepted for payment in the Offer or in the Merger or otherwise in accordance with the terms hereof. Any such assignee or transferee of Acquisition Subsidiary shall assume all of the obligations of Acquisition Subsidiary hereunder, and ACQUIROR and Acquisition Subsidiary shall amend this Agreement, at the request of EKCO, to substitute any such assignee or transferee for Acquisition Subsidiary in this Agreement.

(vi) Acquisition Subsidiary shall be obligated to consummate the Offer on the date (or no later than one business day after the date) that all of the conditions set forth in ANNEX A shall have been satisfied; provided, however, that nothing herein shall prohibit Acquisition Subsidiary from exercising its 15 Day Right.

1.2. ACTION BY EKCO.

(a) EKCO hereby approves of and consents to the Offer and represents and warrants that the Board of Directors of EKCO, at a meeting duly called and held, has, subject to the terms and conditions set forth herein, unanimously (i) determined that this Agreement and the transactions contemplated hereby, including the Offer and the Merger, taken together, are fair to, advisable and in the best interests of, the stockholders of EKCO, (ii) approved the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, including, without limitation, the Offer and the Merger, in all respects, and has, subject to and in reliance on, the accuracy of the representation and warranty contained in Section 4.10, taken all other action necessary to render Section 203 of the DGCL inapplicable to the execution and delivery of this Agreement and the consummation of the transactions contemplated thereby including the Offer, the purchase of the EKCO Shares pursuant to the Offer and the Merger, and (iii) resolved to recommend that the stockholders of EKCO accept the Offer, tender their EKCO Shares thereunder to Acquisition Subsidiary and approve and adopt this Agreement and the Merger; PROVIDED, HOWEVER, such approval and recommendation by the Board of Directors may be withdrawn, modified, or amended if the Board of Directors of EKCO determines in good faith, after receiving advice from outside counsel, that such action is necessary to comply with its fiduciary duties under applicable law. EKCO consents to the inclusion of such approval and recommendation and the opinion of Lehman Brothers described below in the Offer Documents, subject to the foregoing proviso. In addition, EKCO represents that it adopted an amendment to the Rights Agreement dated as of August 4, 1999 and that a copy of such amendment has been delivered by EKCO to ACQUIROR that, as of the date hereof and after giving effect to the execution and delivery of this Agreement, each Right is represented by the certificate representing the associated EKCO Share, that there has not been a "Distribution Date" or "Shares Acquisition Date" and that EKCO has taken all necessary actions so that

(a) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby including the Offer, the purchase of EKCO Shares pursuant to the Offer or the Merger, will not (i) trigger the provisions of Section 11 or Section 13 of the Rights Agreement, (ii) result in the occurrence of a "Distribution Date" (as defined in the Rights Agreement) or (iii) result in Acquisition, Acquisition Subsidiary or any of their affiliates becoming an "Acquiring Person" (as defined in the Rights Agreement) and (b) the Rights will expire at, and subject to, the consummation of the Offer. EKCO further represents and warrants that Lehman Brothers has delivered to the Board of Directors of EKCO its written opinion dated August 4, 1999, that the cash consideration to be received by the stockholders of EKCO pursuant to the Offer and the Merger is fair from a financial point of view to such stockholders. EKCO has been authorized by Lehman Brothers to permit the inclusion of the fairness opinion or a reference thereto in the Offer Documents and the Schedule 14D-9 (as defined in Section 1.2(b)), subject to the foregoing proviso.

(b) Contemporaneously with the commencement of the Offer as provided in Section 1.1, EKCO hereby agrees to file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 pertaining to the Offer (together with any amendments or supplements thereto, the "Schedule 14D-9") containing the recommendations described in Section 1.2(a) and the written opinion of Lehman Brothers, and to mail promptly the Schedule 14D-9 to the stockholders of EKCO. The Schedule 14D-9 will comply in all material respects with the provisions of applicable federal securities laws and, on the date filed with the SEC and on the date first published, sent or given to EKCO's stockholders, shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation is made by EKCO with respect to information supplied by ACQUIROR or Acquisition Subsidiary for inclusion in the Schedule 14D-9. EKCO, ACQUIROR and Acquisition Subsidiary each agrees to correct promptly any information provided by it for use in the Schedule 14D-9 if and to the extent that it shall have become false or misleading in any material respect and EKCO further agrees to take all steps necessary to cause the Schedule 14D-9 as so corrected to be filed with the SEC and disseminated to the holders of EKCO Shares, in each case as and to the extent required by applicable federal securities laws. ACQUIROR and its counsel shall be given a reasonable opportunity to review the Schedule 14D-9 prior to filing with the SEC. In addition, EKCO agrees to provide ACQUIROR and its counsel with any comments, whether written or oral, that EKCO or its counsel receives from time to time from the SEC or its staff with respect to the Offer Documents promptly after the receipt of such comments or other communications.

(c) In connection with the Offer, EKCO will promptly furnish (or cause to be furnished) to ACQUIROR and Acquisition Subsidiary mailing labels, security position listings, any non-objecting beneficial owner lists and any available listing or computer files containing the names and addresses of the record holders of EKCO Shares as of the most recent practicable date and shall furnish Acquisition Subsidiary with such additional information and assistance (including, without limitation, updated lists of stockholders, mailing labels and lists of securities positions and non-objecting beneficial owner lists, as ACQUIROR, Acquisition Subsidiary or their respective agents may reasonably request in communicating the Offer to the record and beneficial holders of EKCO Shares. Subject to the requirements of applicable law, and except for such steps as are necessary to disseminate the Offer Documents and any other documents necessary to consummate the Offer and the Merger, ACQUIROR, Acquisition Subsidiary and their affiliates, associates, agents, representatives and advisors shall use the information contained in any such labels, listings and files only in connection with the Offer and the Merger and, if this Agreement shall be terminated, will deliver to EKCO all copies of such information, in whatever media, then in their possession. In addition, EKCO, ACQUIROR, and Acquisition Subsidiary agree to cooperate in providing the record holders of EKCO Shares (identified as of the most recent practicable date), including the

Trustee of the EKCO Employee Stock Ownership Plan (the "ESOP") (or an agent or service provider specified by such ESOP Trustee) with the Offer Documents and any other document necessary to consummate the Offer and the Merger, in accordance with all applicable law and, in the case of the ESOP, in accordance with the terms of the ESOP, the Trust Agreement of the ESOP, and the Certificate of Designations of Series B ESOP Convertible Preferred Stock of EKCO.

1.3. EKCO BOARD REPRESENTATION.

(a) Promptly upon the purchase by Acquisition Subsidiary of the EKCO Shares pursuant to the Offer, and from time to time thereafter, Acquisition Subsidiary shall be entitled to designate up to such number of directors, rounded up to the next whole number, on the Board of Directors of EKCO as shall give Acquisition Subsidiary representation on the Board of Directors equal to the product of the total number of directors on such Board of Directors (giving effect to the directors elected pursuant to this sentence) multiplied by a percentage that the aggregate number of EKCO Shares beneficially owned by Acquisition Subsidiary or any affiliate of Acquisition Subsidiary bears to the total number of EKCO Shares outstanding, and EKCO shall, at such time, promptly take all action necessary to cause Acquisition Subsidiary's designees to be so elected, including either increasing the size of the Board of Directors or securing the resignations of incumbent directors or both. At such time, EKCO shall cause persons designated by Acquisition Subsidiary to constitute the same percentage as is on the Board of Directors of (i) each committee of the Board of Directors, (ii) each board of directors of each domestic subsidiary of EKCO and (iii) each committee of such board, in each case only to the extent permitted by law. Notwithstanding the foregoing, following the purchase of the EKCO Shares by Acquisition Subsidiary pursuant to the Offer, only directors who were serving as directors on the date of this Agreement shall be entitled to vote with respect to any matters (other than termination of this Agreement) that are in any material respect in conflict with or inconsistent with the interests of ACQUIROR and Acquisition Subsidiary under this Agreement, except if at least three of such directors are not in office.

(b) EKCO's obligations to appoint designees to its Board of Directors shall be subject to Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder. Subject to the foregoing sentence, EKCO shall promptly take all actions required pursuant to Section 14(f) and Rule 14f-l in order to fulfill its obligations under this section and shall include in the Schedule 14D-9 or a separate Rule 14f-l information statement provided to stockholders such information with respect to EKCO and its officers and directors as is required under Section 14(f) and Rule 14f-l to fulfill its obligations under this section. ACQUIROR or Acquisition Subsidiary will supply in a timely manner to EKCO and be solely responsible for any information with respect to either of them and their nominees, officers, directors and affiliates required by Section 14(f) and Rule 14f-1.

1.4. EKCO OPTIONS. As soon as practicable after the commencement of the Offer, EKCO shall use its reasonable best efforts to cause each holder of each outstanding option to purchase EKCO Shares (in each case, an "EKCO Option") granted under EKCO's 1987 Stock Option Plan or EKCO's 1988 Directors' Stock Option Plan (collectively, the "Stock Option Plans"), whether or not such EKCO Options are vested as of the date of this Agreement, to execute and deliver to EKCO, prior to the expiration of the Offer, an agreement substantially in the form of ANNEX B (an "Option Election") under which such holder would agree, contingent upon the purchase of EKCO Shares by Acquisition Subsidiary pursuant to the Offer, to cause, immediately prior to the expiration of the Offer, such EKCO Options to be cancelled in exchange for a cash payment (the "Option Payment") equal to the aggregate amount that the undersigned would receive if each of the Option Shares had been tendered to Acquisition Subsidiary pursuant to the terms of the Offer, less the payment of the exercise price of each Option Share and all withholding taxes attributable to such Option Payment, determined in accordance with Section 2.5(c) of

this Agreement. The Option Payment shall be made by Acquistion Subsidiary to any such electing EKCO Option holder as soon as practicable after the consummation of the Offer but in no event more than 10 business days after the consummation of the Offer. Notwithstanding the foregoing, EKCO shall cause the Chairman and Chief Executive Officer of EKCO, and all members of the Board of Directors of EKCO, to execute an Option Election in respect of all of their outstanding EKCO Options, prior to the consummation of the Offer, provided that if such election would result in a violation of Section 16 of the Exchange Act and Rule 16(b) promulgated thereunder ("Section 16"), then such election may be delayed until such time as it would not result in a violation of Section 16.

1.5. EKCO RESTRICTED STOCK. As soon as practicable after the commencement of the Offer, EKCO and the Plan Administrator of the 1984 EKCO Restricted Stock Plan and the 1985 EKCO Restricted Stock Plan (the "Restricted Stock Plans") shall use their commercially reasonable best efforts to cause each unvested EKCO Share ("Restricted Stock") outstanding under the Restricted Stock Plans, as to which a valid Restricted Stock Election (as defined below) is executed (and not revoked) and delivered to EKCO, to become fully vested and non-forfeitable immediately prior to the purchase and contingent upon the consummation of the Offer. The parties to this Agreement consent to the action of the Plan Administrator of the Restricted Stock Plans referenced in the immediately preceding sentence, agree that they will not cause the revocation of such action and will use their reasonable best efforts to cause the Restricted Stock as to which a valid Restricted Stock Election has been made to be deemed to have been tendered in the Offer. As soon as practicable after the commencement of the Offer, EKCO shall use its commercially reasonable best efforts to cause each holder of shares of Restricted Stock to execute and deliver to EKCO, prior to the expiration of the Offer, an agreement substantially in the form of ANNEX C (a "Restricted Stock Election") under which such holder would agree, contingent upon the purchase of EKCO Shares by Acquisition Subsidiary pursuant to the Offer, to cause, immediately prior to the expiration of the Offer, the shares of Restricted Stock (which will be fully vested in accordance with the foregoing provisions of this Section 1.4) to be deemed to have been tendered in the Offer in exchange for the Per Share Amount which shall be paid by Acquisition Subsidiary to such holder as soon as practicable after the consumation of the Offer but in no event more than 10 business days after the consummation of the Offer. Immediately prior to the Effective Time, if the conditions to Article VI are satisfied, EKCO shall cause the Plan Administrator of the Restricted Stock Plans to cause all shares of Restricted Stock outstanding as of the Effective Time to be fully vested and non-forfeitable.

ARTICLE II

THE MERGER

2.1. THE MERGER. Upon the terms and conditions set forth in this Agreement, and in accordance with the DGCL, Acquisition Subsidiary shall be merged with and into EKCO at the Effective Time (as defined in Section 2.3). From and after the Effective Time, the separate corporate existence of Acquisition Subsidiary shall cease and EKCO shall continue as the surviving corporation (the "Surviving Corporation") under the laws of the state of Delaware under the name "EKCO Group, Inc." and shall succeed to and assume all the rights and obligations of Acquisition Subsidiary and EKCO in accordance with the DGCL. At ACQUIROR's election, the Merger may alternatively be structured so that (i) EKCO is merged with and into Acquisition Subsidiary or any other direct or indirect subsidiary of ACQUIROR or (ii) any direct or indirect subsidiary of ACQUIROR other than Acquisition Subsidiary is merged with and into EKCO; provided, however, that no such change shall (i) alter or change the amount or kind of consideration to be issued to the holders of EKCO Shares in the merger as set forth in Article II hereof or the treatment of the holders of EKCO Options or Restricted Stock, (ii) materially impede or delay

consummation of the Merger, or (iii) release ACQUIROR or Acquisition Subsidiary from any of its obligations hereunder. In the event of such an election, the parties agree to execute an appropriate amendment to this Agreement in order to reflect such election.

2.2. THE CLOSING. The closing of the Merger (the "Closing") will take place at 10:00 a.m. Eastern Time at the offices of Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017 on the second business day after all of the conditions to the obligations of the parties to consummate the Merger as set forth in Article VI shall have been satisfied or waived, or on such other mutually agreeable later date as soon as practicable after the satisfaction or waiver of all conditions to the obligations of the parties to consummate the transactions contemplated hereby as set forth in Article VI (the "Closing Date").

2.3. EFFECTIVE TIME. Subject to the provisions of this Agreement, the parties shall file a certificate of merger substantially in the form attached hereto as EXHIBIT A or, if applicable, a certificate of ownership and merger (the "Certificate of Merger") executed in accordance with the relevant provisions of the DGCL and shall make all other filings or recordings required under the DGCL as soon as practicable on or after the Closing Date. The Merger shall become effective at such time as the Certificate of Merger is duly filed with the Delaware Secretary of State, or at such later time as ACQUIROR, Acquisition Subsidiary and EKCO shall agree should be specified in the Certificate of Merger (the "Effective Time").

2.4. EFFECT OF THE MERGER. From and after the Effective Time, the Surviving Corporation shall possess all the property, rights, privileges, powers and franchises and be subject to all of the restrictions, debts, liabilities, disabilities, obligations and duties of EKCO and Acquisition Subsidiary, and the Merger shall otherwise have the effects set forth in Section 259 of the DGCL.

2.5. EFFECT ON CAPITAL STOCK. At the Effective Time, by virtue of the Merger and without any further action on the part of the ACQUIROR, Acquisition Subsidiary, EKCO, the Surviving Corporation or any holder of EKCO Shares or any shares of capital stock of Acquisition Subsidiary:

(a) ACQUISITION SUBSIDIARY COMMON STOCK. Each share of capital stock of Acquisition Subsidiary issued and outstanding immediately prior to the Effective Time shall be converted into one validly issued, fully paid and nonassessable share of Common Stock of the Surviving Corporation.

(b) CANCELLATION OF STOCK. Each EKCO Share that is held by EKCO (as treasury stock or otherwise) or held by ACQUIROR or Acquisition Subsidiary or by any direct or indirect wholly-owned subsidiary of ACQUIROR or Acquisition Subsidiary, shall automatically be cancelled and retired and shall cease to exist, and no cash or other consideration shall be delivered in exchange therefor.

(c) CONVERSION OF EKCO SHARES. (i) Each share of EKCO Common Stock issued and outstanding immediately prior to the Effective Time (other than shares of EKCO Common Stock to be cancelled in accordance with Section 2.5(b) and Dissenting Shares) (as defined below) shall be cancelled, extinguished and converted into and become a right to receive an amount equal to the Per Share Amount in cash, without interest (the "Merger Consideration") less any required withholding taxes and (ii) each share of ESOP Preferred Stock issued and outstanding immediately prior to the Effective Time (other than shares of ESOP Preferred Stock to be cancelled in accordance with Section 2.5(b) and Dissenting Shares) shall be cancelled, extinguished and converted into and become a right to receive an amount equal to the Per Share Amount that a holder of the number of shares of EKCO Common Stock into which such shares of ESOP Preferred Stock were convertible immediately prior to the Effective Time would

have been entitled to receive in cash without interest thereon and less any required withholding taxes in accordance with Section 8(b) of the Certificate of Designations of the Series B ESOP Convertible Preferred Stock of EKCO.

(d) DISSENTING SHARES. (i) Notwithstanding anything in this Agreement to the contrary but only to the extent required by the DGCL, EKCO Shares outstanding immediately prior to the Effective Time held by a holder (if any) who has not voted in favor of the Merger and is otherwise entitled to demand, and who properly demands, appraisal for such EKCO Shares in accordance with Section 262 of the DGCL ("Dissenting Shares") shall not be converted into a right to receive the Merger Consideration unless such holder fails to perfect or otherwise effectively withdraw or loses such holder's right to appraisal, if any. Such stockholders shall be entitled to receive payment of the appraised value of such EKCO Shares held by them in accordance with the provisions of such Section 262. If, after the Effective Time, such holder fails to perfect or loses any such right to appraisal, such EKCO Shares shall be treated as if they had been converted as of the Effective Time into the right to receive the Merger Consideration without interest pursuant to Section 2.5(c).

(ii) EKCO shall give ACQUIROR (A) prompt notice and a copy of any written notice of a stockholder's intent to demand payment, of any request to withdraw a demand for payment and of any other instrument delivered to it pursuant to Section 262 of the DGCL and (B) the opportunity to direct all negotiations and proceedings with respect to demands for payment under Section 262 of the DGCL. Except with the prior written consent of ACQUIROR, EKCO shall not make any payment with respect to any demand for payment and shall not settle or offer to settle any such demands or approve any withdrawal of any such demands.

(e) STOCK OPTIONS. (i) Prior to the Effective Time, EKCO shall use its commercially reasonable best efforts to cause each outstanding EKCO Option (whether or not then exercisable) that has not, prior to the Effective Time, been cancelled and payment made therefor pursuant to each EKCO Option holder's execution of the Option Election, to be cancelled and exchanged for a cash payment, paid by the Surviving Corporation equal to the product of (x) the number of EKCO Shares previously subject to such EKCO Option and (y) the excess, if any, of the Merger Consideration over the exercise price per EKCO Share previously subject to such EKCO Option. All applicable withholding taxes attributable to the payments made hereunder shall be deducted from the amounts payable hereunder; provided, however, that with respect to any person subject to Section 16 of the Exchange Act, any such amount shall be paid as soon as practicable after the first date payment can be made without liability to such person under Section 16(b) of the Exchange Act.

(ii) EKCO shall (A) use its commercially reasonable best efforts to (1) terminate as of the Effective Time all stock or other equity based plans maintained with respect to the Shares, including, without limitation, the plans listed in Section 3.14(a) of the EKCO Disclosure Schedules ("OPTION PLANS"), and (2) amend as of the Effective Time any other Plan providing for the issuance, transfer or, grant of any capital stock of EKCO or any interest in respect of any capital stock of EKCO to provide that no further issuances, transfer or grants shall be permitted as of the Effective Time, and (B) use its commercially reasonable best efforts to provide that, following the Effective Time, no holder of an EKCO Option or any participant in any Option Plan shall have any right thereunder to acquire any capital stock of EKCO, ACQUIROR or the Surviving Corporation.

(f) WARRANTS. Prior to the Effective Time, EKCO shall use its commercially reasonable best efforts to provide that each outstanding warrant to purchase EKCO Shares (in each case, an "EKCO Warrant"), whether or not then vested or exercisable, shall be exercisable for and entitle each holder

thereof to, a payment in cash from the Surviving Corporation, upon exercise, equal to the product of (i) the number of EKCO Shares previously subject to such EKCO Warrant and (ii) the excess, if any, of the Merger Consideration over the exercise price per EKCO Share previously subject to such EKCO Warrant. All applicable withholding taxes attributable to the payments made hereunder shall be deducted from the amounts payable hereunder.

2.6. SURRENDER OF SECURITIES; FUNDING OF PAYMENTS; STOCK TRANSFER BOOKS.

(a) EXCHANGE AGENT. Prior to the Effective Time ACQUIROR shall designate a bank or trust company reasonably acceptable to EKCO to act as agent (the "Exchange Agent") for the purpose of exchanging Certificates (as defined below) for the Merger Consideration. The fees and expenses of the Exchange Agent shall be paid by ACQUIROR.

(b) PAYMENT FUND. ACQUIROR shall remit to the Exchange Agent concurrently with or immediately prior to the Effective Time an amount equal to the aggregate Merger Consideration necessary to pay the holders of the EKCO Shares (other than Dissenting Shares or EKCO Shares to be cancelled in accordance with Section 2.5(b)) (collectively, the "Payment Fund").

(c) LETTER OF TRANSMITTAL; PROCEDURE FOR EXCHANGE. ACQUIROR agrees that, as soon as practicable after the Effective Time and in no event later than five (5) business days thereafter, the Surviving Corporation shall cause the distribution to holders of record of EKCO Shares (as of the Effective Time) of a form of letter of transmittal and other appropriate materials and instructions for use in effecting the surrender of a certificate or certificates which immediately prior to the Effective Time represented issued and outstanding EKCO Shares (each, a "Certificate") and to each holder of an agreement evidencing an EKCO Option (including an Option Election in the form of Annex B attached hereto) or an EKCO Warrant (an "Option Agreement") for payment of the Merger Consideration therefor. Upon surrender to the Exchange Agent of a Certificate or an Option Agreement, together with such letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, the holder of such Certificate or Option Agreement shall be entitled to receive, and the Exchange Agent shall promptly pay to the holders out of the Payment Fund, the Merger Consideration multiplied by the number of EKCO Shares represented by such Certificate or the amount of the payment for such Option Agreement such holder is entitled to receive pursuant to Section 2.5(e) or (f) immediately prior to the Effective Time, less any amounts required to be held pursuant to applicable tax laws. No interest shall accrue or be paid on the Merger Consideration payable upon the surrender of a Certificate or Option Agreement for the benefit of the holder thereof. In the event any Certificate shall have been lost or destroyed, the Exchange Agent, subject to such other conditions as the Surviving Corporation may reasonably impose (including the posting of an indemnity bond or other surety in favor of the Surviving Corporation with respect to the Certificate alleged to be lost or destroyed), shall be authorized to accept an affidavit from the record holder of such Certificate in a form reasonably satisfactory to the Surviving Corporation of each such Certificate formerly representing EKCO Shares, together with such letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, the Exchange Agent shall promptly pay to the holder of such Certificate out of the Payment Fund the Merger Consideration multiplied by the number of EKCO Shares represented by such Certificates immediately prior to the Effective Time, less any amounts required to be held pursuant to applicable tax laws.

(d) PAYMENT TO REGISTERED HOLDERS. If any portion of the Merger Consideration is to be paid to a person other than the person in whose name a Certificate or Option Agreement is registered, it shall be a condition to such payment that such Certificate or Option Agreement shall be surrendered and shall be properly endorsed, accompanied by appropriate stock powers and shall be otherwise in proper form

for transfer, that such transfer otherwise be proper and that the person requesting such payment shall have paid any transfer and other taxes required by reason of such payment in a name other than that of the registered holder of the certificate or instrument surrendered or shall have established to the satisfaction of the Surviving Corporation and the Exchange Agent that such tax either has been paid or is not payable.

(e) STOCK TRANSFER BOOKS CLOSED. At the Effective Time, the stock transfer books of EKCO shall be closed and there shall not be any further registration of transfers of EKCO Shares thereafter on the records of EKCO.

(f) NO DIVIDENDS. After the Effective Time, no dividends, interest or other distributions shall be paid to the holder of any EKCO Shares.

(g) NO FURTHER RIGHTS. After the Effective Time, holders of Certificates shall cease to have any rights as stockholders of EKCO, except as provided herein or under the DGCL. No interest shall be paid on any Merger Consideration payable to former holders of EKCO Shares.

(h) TERMINATION OF PAYMENT FUND. Promptly following the one year anniversary date of the Effective Time, the Exchange Agent shall return to the Surviving Corporation all of the remaining Payment Fund, and the Exchange Agent's duties shall terminate. Thereafter, each holder of a Certificate may surrender the same to the Surviving Corporation and upon such surrender (subject to applicable abandoned property, escheat or similar laws) shall receive the applicable aggregate Merger Consideration. Notwithstanding the foregoing, neither the Exchange Agent nor any party hereto shall be liable to any former holder of EKCO Shares for any amount delivered to a public official pursuant to applicable abandoned property, escheat or similar law.

2.7. CERTIFICATE OF INCORPORATION OF SURVIVING CORPORATION. At the Effective Time, the Certificate of Incorporation of EKCO shall be amended to read in its entirety as set forth in EXHIBIT B hereto. The Certificate of Incorporation of EKCO, as so amended, shall be the Certificate of Incorporation of the Surviving Corporation from and after the Effective Time and, subject to the limitations set forth in Section 5.8, until thereafter amended as provided by law.

2.8. BYLAWS OF THE SURVIVING CORPORATION. Subject to Section 5.8, the Bylaws of Acquisition Subsidiary shall be the Bylaws of the Surviving Corporation from and after the Effective Time of the Merger and until thereafter altered, amended or repealed as provided by law.

2.9. DIRECTORS AND OFFICERS OF THE SURVIVING CORPORATION. The Directors of Acquisition Subsidiary immediately prior to the Effective Time shall be the Directors of the Surviving Corporation, each to hold office in accordance with the Certificate of Incorporation and Bylaws of the Surviving Corporation. The officers of EKCO immediately prior to the Effective Time shall be the officers of the Surviving Corporation, each to hold office in accordance with the laws of the State of Delaware, the Certificate of Incorporation and Bylaws of the Surviving Corporation until their respective successors shall be duly elected or appointed and qualified.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF EKCO

EKCO represents and warrants, as of the date hereof, as follows:

3.1. CORPORATE ORGANIZATION AND AUTHORIZATION.

(a) EKCO is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. EKCO has all necessary corporate power and authority to own, lease and operate its property, carry on its business as it is now being conducted, to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Offer, the Merger and the other transactions contemplated hereby. EKCO has provided to ACQUIROR correct and complete copies of the certificate of incorporation and bylaws of EKCO. The execution and delivery of this Agreement by EKCO and the consummation by EKCO of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action, and no other corporate proceedings on the part of EKCO are necessary to authorize this Agreement or to consummate the Offer, the Merger and the other transactions contemplated hereby (other than, with respect to the Merger, the approval and adoption of this Agreement by the affirmative vote of a majority of the then outstanding EKCO Shares, if and to the extent required by applicable law, and the filing and recordation of appropriate merger documents as required by the DGCL). This Agreement has been duly and validly executed and delivered by EKCO and, assuming the due authorization, execution and delivery by ACQUIROR and Acquisition Subsidiary, constitutes a legal, valid and binding obligation of EKCO enforceable against EKCO in accordance with its terms.

(b) (i) EKCO has all requisite governmental authorizations, certificates, licenses, consents and approvals required to carry on its business as presently conducted, except where the failure to possess such authorizations, certificates, licenses, consents and approvals would not reasonably be expected to have a Material Adverse Effect (as defined below). EKCO is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where the character of the property owned or leased by it or the nature of the activities conducted by it makes such qualification necessary, except where the failure to be so qualified and in good standing would not reasonably be expected to have a Material Adverse Effect (as defined below).

(ii) For purposes of this Agreement, "Material Adverse Effect" shall mean with respect to EKCO, any fact, event, change, circumstance or effect that is materially adverse to the business, assets, liabilities or condition (financial or otherwise) or results of operations of EKCO and the EKCO Subsidiaries, taken as a whole, other than any fact, event, change, circumstance or effect (i) relating to the industries for EKCO's products or the general economy, or (ii) arising out of or resulting from entering into this Agreement, the announcement thereof, or the consummation of the transactions contemplated hereby.

3.2. EKCO CAPITAL STOCK. (a) The authorized capital stock of EKCO consists of (i) 60,000,000 shares of EKCO Common Stock, of which 19,159,818 shares were issued and outstanding, as of July 4, 1999, and of which 10,023,770 shares were issued and held as treasury shares, (ii) 1,800,000 shares of ESOP Preferred Stock, of which 931,897 shares were issued and outstanding as of July 4, 1999; (iii) 600,000 shares of Series A Junior Participating Preferred Stock, $.01 par value, ("Junior Stock"), none of which shares are issued and outstanding as of the date of this Agreement and none of which are issued and held as treasury shares as of the date of this Agreement; and (iv) 17,600,000 shares of undesignated Preferred Stock, par value $.01 per share, none of which shares are issued and outstanding as of the date of this Agreement and none of which are issued and held as treasury shares as of the date of this Agreement. All of the issued and outstanding EKCO Shares are and all EKCO Shares and other securities of EKCO issuable as set forth in the next sentence, upon issuance and payment therefor in accordance with their respective terms, will be duly and validly issued, fully paid and nonassessable and free of preemptive rights.

Section 3.2(a) of the EKCO Disclosure Schedule sets forth a true and complete list of all options, warrants, or other rights, agreements or commitments obligating EKCO to issue, sell or deliver any shares of its capital stock or any securities convertible into its capital stock and the exercise prices therefor. Except as set forth in Section 3.2(a) of the EKCO Disclosure Schedule, there are no options, warrants, or other rights, agreements or commitments obligating EKCO to issue, sell or deliver any shares of its capital stock or any securities convertible into its capital stock or to repurchase, redeem or otherwise acquire, or make any payment in respect of any shares of its capital stock. As of July 4, 1999, 2,529,802 shares of EKCO Common Stock were reserved for issuance upon exercise of outstanding options or warrants. No EKCO Shares have been issued (including from treasury) since July 4, 1999 and through the date hereof except for any shares issued pursuant to the option(s) and warrant(s) described above, shares issued upon conversion of EKCO's ESOP Preferred Stock, and no more than 30,000 shares issued pursuant to EKCO's Dividend Reinvestment and Stock Purchase Plan or offered to employees pursuant to EKCO's 1984 Employee Stock Purchase Plan. Except as set forth above, no shares of capital stock or outstanding other equity securities of EKCO are issued, reserved for issuance or outstanding. There are no outstanding bonds, debentures, notes or other indebtedness or other securities of EKCO having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which stockholders of EKCO may vote. The only outstanding indebtedness for borrowed money of EKCO and its subsidiaries is listed in Section 3.2(a) of the EKCO Disclosure Schedule. Except as set forth in Section 3.2(a) of the EKCO Disclosure Schedule, there are no agreements or arrangements to which EKCO is a party pursuant to which EKCO is or could be required to register shares of common stock or other securities under the Securities Act.

(b) Except for the ESOP, there are no voting trusts or other agreements or understandings to which EKCO or any of its Subsidiaries is a party with respect to the voting of the capital stock of EKCO or any of its Subsidiaries.

(c) To the knowledge of EKCO, Schedule 3.2(c) sets forth, as of the date hereof, each person or group (within the meaning of Section 13(d)(3) of the Exchange Act) (i) who has beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of more than 5% of the outstanding shares of EKCO Common Stock and the number of shares of EKCO Common Stock beneficially owned by such person or group, or (ii) who has made any filing under the HSR Act with respect to EKCO or EKCO Common Stock since January 1, 1998.

3.3. EKCO SUBSIDIARIES. Section 3.3 of the EKCO Disclosure Schedule sets forth a list of all subsidiaries of EKCO (individually, an "EKCO Subsidiary", and collectively, the "EKCO Subsidiaries") and their respective jurisdictions of incorporation.

3.4. ORGANIZATION, EXISTENCE AND GOOD STANDING OF EKCO SUBSIDIARIES. Each EKCO Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of its respective state of incorporation and has all necessary corporate power to own its properties and assets and to carry on its business as presently conducted, except where the failure to be so organized, existing or in good standing, or to have such power, would not reasonably be expected to have a Material Adverse Effect.

3.5. NONCONTRAVENTION; CONSENTS.

(a) None of the execution or delivery of this Agreement, the performance by EKCO of its obligations hereunder or the consummation of the transactions contemplated hereby does or will:

(i) violate, conflict with, or constitute a default under, the Certificate of Incorporation, as amended, or Bylaws, as amended, of EKCO; or

(ii) assuming that all consents, approvals, orders or authorizations contemplated by subsection (b) below have been obtained and all filings described therein have been made, (A) violate any statute or law or any rule, regulation or ordinance (together, "Laws") or any order, injunction, judgment or decree (together, "Orders") of any court or Governmental Entity to which EKCO or any of its assets or properties is subject, which violation has or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (B) except as set forth in Section 3.5(a) of the EKCO Disclosure Schedule, result in a violation or breach of, or constitute a default under, or give rise to any right of termination, acceleration or modification of, any note, bond, mortgage, indenture, deed of trust, license, lease, security agreement, permit, concession, franchise or other agreement, instrument or obligation of any kind to which EKCO is a party or by which it or any of its assets or properties is bound, which default, breach or other action has or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Except for the expiration or termination of the applicable waiting period under the HSR Act and any applicable foreign competition laws, and except for such filings, permits, authorizations, consents and approvals as may be required under, and other applicable requirements of, the Securities Act, the Exchange Act, state securities or "Blue Sky" laws or regulations (the "Blue Sky laws") or any exchange upon which EKCO Shares are listed, and except for the filing and recordation of a Certificate of Merger as required by the DGCL, there is no other consent, approval, order or authorization of, or filing with, or any permit from, or any notice to, any court or Governmental Entity required to be obtained by EKCO in connection with the execution of this Agreement, the performance by EKCO of its obligations hereunder, or the consummation of the transactions contemplated hereby, the failure of which to obtain, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

3.6. EKCO PUBLIC INFORMATION.

(a) EKCO has filed all forms, reports, schedules, statements and other documents required to be filed by it since January 1, 1998 under the Exchange Act or the Securities Act (together with all subsequent forms, reports, schedules, statements and other documents filed by EKCO with the SEC prior to the Effective Time, collectively, the "EKCO Public Reports") and has heretofore made available the EKCO Public Reports to ACQUIROR. At the time they were made, the EKCO Public Reports (including information incorporated by reference therein) and, at the time it is made, any EKCO Public Report made by EKCO with the SEC after the date of this Agreement (x) did not, or with respect to those not yet made, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and (y) complied, or with respect to those not yet made, will comply as to form in all material respects with the Securities Act and the Exchange Act as appropriate. Except to the extent revised or superseded by a subsequent filing with the SEC (a copy of which has been provided to ACQUIROR prior to the date hereof), none of the EKCO Public Reports made since January 1, 1998 and prior to the date hereof contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Since January 1, 1998, no EKCO Subsidiary has been required to file any forms, reports, or other documents with the SEC.

(b) The consolidated financial statements of EKCO (including any footnotes and schedules thereto) contained in the EKCO Public Reports have been or will be prepared from, and are or will be in accordance with, the books and records of EKCO and have been or will be prepared in accordance with and have complied or will comply with applicable accounting requirements and the published rules and regulations of the SEC and generally accepted accounting principles applied on a consistent basis during the periods involved (except as may be otherwise indicated therein) and fairly present or will fairly present in all material respects the consolidated financial position of EKCO and EKCO Subsidiaries as of the dates thereof and the consolidated results of operations, changes in stockholders' equity and cash flows of EKCO and EKCO Subsidiaries for the periods then ended, except that any unaudited financial statements contained therein are subject to normal and recurring year-end adjustments that are not material, individually or in the aggregate. The consolidated balance sheet of EKCO at January 3, 1999 included in the EKCO Public Reports is herein sometimes referred to as the "EKCO Balance Sheet."

3.7. NO MATERIAL ADVERSE CHANGE. Except as disclosed in Section 3.7 of the EKCO Disclosure Schedule, since January 3, 1999, there has been no change, event, loss or occurrence affecting EKCO or any of the EKCO Subsidiaries that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.8. LEGAL PROCEEDINGS. Except as set forth in Section 3.8 of the EKCO Disclosure Schedule or described in the EKCO Public Reports, as of the date this Agreement, there is no pending, or to the knowledge of EKCO, threatened litigation, arbitration, governmental investigation or other proceeding against EKCO or any of its assets or properties or relating directly to the transactions contemplated by this Agreement which, if resolved adversely to EKCO, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.9. MATERIAL CONTRACTS. EKCO has made available to ACQUIROR true copies of all written contracts of EKCO and the EKCO Subsidiaries that are material to the business, financial condition or results of operations of EKCO and the EKCO Subsidiaries, taken as a whole, entered into in connection with and related to the business and operations of EKCO and the EKCO Subsidiaries (the "Material Contracts") and together with the Other Contracts (as defined below), the "Significant Contracts") or has otherwise disclosed such material written contracts in Section 3.9 of the EKCO Disclosure Schedule or in the EKCO Public Reports. The term "Other Contracts" shall mean: (a) all contracts required to be disclosed pursuant to Items 401 or 601 of Regulation S-K of the SEC, (b) all contracts for the future purchase of materials, supplies, merchandise or equipment, (c) all contracts for the sale or lease of any of the assets of EKCO, other than sales of inventory in the ordinary course of business, (d) all mortgages, pledges, conditional sales contracts, security agreements, factoring agreements or other similar agreements with respect to any material assets of EKCO, (e) all consulting agreements providing for annual payments thereunder in excess of $50,000, and (f) all non-competition or similar agreements which restrict or may hereafter restrict the geographic or operational scope of EKCO's business or the ability of EKCO to enter into new lines of business. To the knowledge of EKCO, all of such written Significant Contracts are valid, binding and enforceable in accordance with their terms (assuming the other parties thereto are bound) and are in full force and effect, except where such invalidity or unenforceability would not reasonably be expected to have a Material Adverse Effect. No default, breach or violation or alleged default by EKCO or the EKCO Subsidiaries exists under such material written Significant Contracts, except for defaults, breaches or violations or alleged defaults, breaches or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

3.10. SUBSEQUENT EVENTS. Except as set forth in Section 3.10 of the EKCO Disclosure Schedule or disclosed in the EKCO Public Reports, EKCO has not, since January 3, 1999:

(a) Discharged or satisfied any material lien or encumbrance, or paid or satisfied any material obligation or liability other than any lien, encumbrance, obligation or liability (i) discharged, paid or satisfied in the ordinary course of business, (ii) shown or reflected on the EKCO Balance Sheet, (iii) incurred since the date of the EKCO Balance Sheet in the ordinary course of business or (iv) the discharge or satisfaction of which would not reasonably be expected to have a Material Adverse Effect.

(b) Increased or established any reserve for Taxes (as defined in Section 3.12) or any other liability on its books or otherwise provided therefor which would have a Material Adverse Effect, except as may have been required due to income or operations of EKCO since the date of the EKCO Balance Sheet.

(c) Mortgaged, pledged or subjected to any lien, charge or other encumbrance any of the assets, tangible or intangible, which assets are material to the consolidated business or financial condition of EKCO.

(d) Sold or transferred any of the assets material to the consolidated business of EKCO, cancelled any material debts or claims or waived any material rights, except in the ordinary course of business.

(e) Except for this Agreement and any other agreement executed and delivered pursuant to this Agreement, entered into any material transaction other than in the ordinary course of business or permitted under this Agreement.

(f) Issued any stock, bonds or other securities, other than stock options granted to employees, directors or consultants of EKCO or warrants granted to third parties or shares of common stock issuable pursuant thereto or pursuant to any other contract or agreement outstanding as of the date hereof, all of which are disclosed in Section 3.2 of the EKCO Disclosure Schedule.

(g) Except as set forth in Section 3.10(g) of the EKCO Disclosure Schedule, declared, paid, set aside or made any dividend or distribution on or payment with respect to the EKCO Shares or any other shares of EKCO's capital stock.

3.11. INVENTORIES. All inventories reflected on the EKCO Balance Sheet were as of the date thereof carried at amounts which reflect valuations pursuant to EKCO's normal inventory valuation policy of stating inventory as the lower of cost or market on a (except as set forth in Section 3.11 of the EKCO Disclosure Schedule) first-in-first out basis, all in accordance with GAAP. Except as set forth in Section 3.11 of the EKCO Disclosure Schedule, since the date of the EKCO Balance Sheet, no inventory items have been sold or disposed of except through sales in the ordinary course of business.

3.12. TAX RETURNS. EKCO and each EKCO Subsidiary has filed all Tax Returns required to be filed by them or requests for extensions to file such returns or reports have been timely filed and granted and have not expired, except to the extent that such failures to file would not have a Material Adverse Effect. All such Tax Returns are, or will be at the time of filing, true, correct and complete in all material respects, except where the failure to be true, correct and complete would not reasonably be expected to have a Material Adverse Effect. Except as disclosed in Section 3.12 of the EKCO Disclosure Schedule, (i) EKCO and each EKCO Subsidiary have paid (or have had paid on their behalf), or where payment is not yet due, have established (or have established on their behalf and for their sole benefit and recourse), or will establish or cause to be established on or before the Effective Time, an adequate accrual for the payment of, all material Taxes (other than deferred Taxes reflecting differences between the book and tax bases in assets and liabilities) with respect to any period (or portion thereof) ending prior to or immediately prior to the

Effective Time, (ii) EKCO and each EKCO Subsidiary have not been notified that any tax returns of EKCO or any EKCO Subsidiary are currently under audit by the Internal Revenue Service or any state or local tax agency, (iii) no agreements have been made by EKCO or any EKCO Subsidiary for the extension of time or the waiver of the statute of limitations for the assessment or payment of any Taxes, (iv) neither EKCO nor, to EKCO's knowledge, any EKCO Subsidiary have received any notice of deficiency or assessment from any taxing authority with respect to Taxes, which have not been fully paid or finally settled, and (v) neither EKCO nor any EKCO Subsidiary (other than any EKCO Subsidiary whose capital stock was previously owned by any person other than EKCO or another EKCO Subsidiary) (x) has been a member of an affiliated group filing a consolidated Federal Income Tax Return or any comparable state or local Tax Return, other than the affiliated group in which they are currently members, or (y) has any liability for any Taxes of any person under Treasury Regulation section 1.1502-6 (or any comparable state, local or foreign law), as a transferee or successor, by contract or otherwise. As used herein, the term "Taxes" means all federal, state, local and foreign taxes, including, without limitation, income, profits, franchise, employment, transfer, withholding, property, excise, sales and use taxes, customs duties or similar fees and other assessments of a similar nature (whether imposed directly or through withholding), including interest and penalties thereon and additions thereto and "Tax Returns" shall mean all federal, state, local and foreign tax returns, declarations, statements, reports, schedules, forms and information returns and any amendments thereto.

3.13. COMMISSIONS AND FEES. Except for fees owed to Lehman Brothers, Inc., no agent, broker, person or firm acting on behalf of ACQUIROR or Acquisition Subsidiary is or will be entitled to any brokerage commissions, investment bankers' fees or finder's fees in connection with the transaction contemplated by this Agreement.

3.14. EMPLOYEE BENEFIT PLANS; EMPLOYMENT MATTERS.

(a) (i) Schedule 3.14(a) contains a true and complete list of each "employee benefit plan" (within the meaning of section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including, without limitation, multi-employer plans within the meaning of ERISA section 3(37)), stock purchase, stock option, severance, employment, change-in-control, fringe benefit, bonus, incentive, deferred compensation and all other employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA (including any funding mechanism therefor now in effect or required in the future solely as a result of the consummation of the transaction contemplated by this Agreement), whether formal or informal, oral or written, legally binding or not, under which any employee or former employee of EKCO or its EKCO Subsidiaries has any present or future right to benefits or under which EKCO or its EKCO Subsidiaries has any liability (all such plans, agreements, programs, policies and arrangements shall be referred to as (individually, a "Plan" and collectively, the "Plans"); (ii) except as set forth in Section 3.14(a) of the EKCO Disclosure Schedule, all such plans listed in Section 3.14(a) of the EKCO Disclosure Schedule have been operated and administered in accordance with ERISA, the Code and other applicable law, except where such failure so to operate and administer would not reasonably be expected to have a Material Adverse Effect; (iii) except as set forth in Section 3.14(a) of the EKCO Disclosure schedule, no act or failure to act by EKCO has resulted in a "prohibited transaction" (as defined in ERISA) with respect to the Plans that is not subject to a statutory or regulatory exception, and no "reportable event" (as defined in ERISA) which requires the filing of a report thereof with the Pension Benefit Guaranty Corporation has occurred with respect to any of the Plans which is subject to Title IV of ERISA; (iv) each Plan which is intended to be qualified within the meaning of Code section 401(a) is so qualified and has received a favorable determination or opinion letter as to its qualification, and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification (except for the failure to amend such Plans to comply

with requirements of the Code or regulations thereunder for which the remedial amendment period has not expired), (v) no event has occurred and no condition exists that would subject EKCO or any EKCO Subsidiary, either directly or by reason of their affiliation with any member of their "Controlled Group" (defined as any organization which is a member of a controlled group of organizations within the meaning of Code sections 414(b), (c), (m) or (o), to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable laws, rules and regulations that would result in a Material Adverse Effect; and (vi) EKCO is not obligated in any way to make any contributions to any multi-employer plan within the meaning of the Multi-Employer Pension Plan Amendments Act of 1980, as amended. With respect to any multi-employer plan (within the meaning of ERISA section 4001(a)(3)) to which EKCO, its EKCO Subsidiaries or any member of their Controlled Group has any liability or contributes (or has at any time contributed or had an obligation to contribute): (i) none of EKCO, the EKCO Subsidiaries or any member of their Controlled Group has incurred any withdrawal liability in an amount that would have a Material Adverse Effect under Title IV of ERISA or would be subject to such liability if, as of the Effective Time, EKCO, its EKCO Subsidiaries or any member of their Controlled Group were to engage in a complete withdrawal (as defined in ERISA section 4203) or partial withdrawal (as defined in ERISA section 4205) from any such multi-employer plan; and (ii) no such multi-employer plan is in reorganization or insolvent (as those terms are defined in ERISA sections 4241 and 4245, respectively, such that any liability in an amount that would have a Material Adverse Effect on EKCO, any EKCO Subsidiary or any member of their Controlled Group.

(b) Except as set forth in Section 3.14(b) of the EKCO Disclosure Schedule, EKCO is not a party to any oral or written union, guild or collective bargaining agreement which agreement covers employees in the United States, and, to the knowledge of EKCO, no union organizing activity is currently being conducted in respect to any of its employees.

(c) With respect to each Plan, EKCO has delivered, made available or will make available within ten business days hereafter to ACQUIROR a current, accurate and complete copy (or, to the extent no such copy exists, Section 3.14(a) of the EKCO Disclosure Schedule contains an accurate summary) thereof and, to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) the most recent determination letter, if applicable; (iii) any summary plan description; (iv) for the three most recent years (A) the Form 5500 and attached schedules and (B) audited financial statements and (C) for the most recent year, actuarial valuation reports.

(d) With respect to any Plan, (i) no actions, suits or claims (other than routine claims for benefits in the ordinary course) are pending or, to the knowledge of EKCO, threatened, (ii) to the knowledge of EKCO, no facts or circumstances exist that could give rise to any such actions, suits or claims and (iii) no written or, to the knowledge of EKCO, oral communication has been received from any Governmental Entity in respect of any Plan subject to Title IV of ERISA concerning the funded status of any such Plan or concerning the impact of the transactions contemplated herein on the funded status of any such Plan; and (iv) no oral promises or obligation have been made by any authorized EKCO officer, employee or representative to any present or former employee of EKCO or, to the knowledge of EKCO, the EKCO Subsidiaries, of any increase in any compensation or benefits of any such employee.

(e) Except as set forth in Schedule 3.14(a) of the EKCO Disclosure Schedule, no Plan exists that could, as a result of the transaction contemplated by this Agreement, result in the payment to any present or former employee of EKCO or its EKCO Subsidiaries of any money or other property or in the acceleration of or the provision of any other rights or benefits to any present or former employee of EKCO or its EKCO Subsidiaries, whether or not such payment would constitute a parachute payment within the meaning of Code section 280G.

(f) Except as set forth on Schedule 3.14(f), neither EKCO nor any of its EKCO Subsidiaries sponsor, maintain or contribute to any Plan that provides post-retirement medical or life insurance benefits to any present or former employee of EKCO or its EKCO Subsidiaries, other than such benefits in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended or any state law requiring continuation coverage.

(g) Except as set forth on Schedule 3.14(g), (i) all Plans that are sponsored or maintained by EKCO or its EKCO Subsidiaries that are non-U.S. Plans have been operated and administered in accordance with all applicable laws, codes and regulations except where the failure to so operate and administer would not reasonably be expected to have a Material Adverse Effect, and each non U.S. Plan that is required to be funded under any applicable law has been funded in amounts that equal or exceed such funding requirements.

3.15. COMPLIANCE WITH LAWS IN GENERAL. EKCO and the EKCO Subsidiaries hold all permits, licenses, variances, exemptions, orders, registrations, franchises and approvals of all Governmental Entities which are required for the operation of the business of EKCO and its EKCO Subsidiaries as now being operated (collectively, the "EKCO Permits"), except where the failure to have any such EKCO Permits would not, individually as in the aggregate, reasonably be expected to have a Material Adverse Effect. EKCO and the EKCO Subsidiaries are in compliance with the terms of the EKCO Permits and all applicable statutes, laws, ordinances, rules and regulations, except where the failure to be in compliance would not reasonable be expected to have a Material Adverse Effect. EKCO has not violated or failed to comply with, or received any written notice from any Governmental Entity asserting a failure to comply with, any Law or Order, except where such violation or failure to comply would not, individually or in the aggregate, have a Material Adverse Effect.

3.16. INTELLECTUAL PROPERTY.

(a) Except as set forth in Section 3.16(a) of the EKCO Disclosure Schedule, EKCO owns, or is licensed or otherwise entitled to exercise all rights under or with respect to all patents, trademarks, trade names, service marks, copyrights, and any applications therefor, and trade secrets employed in the operation of EKCO's business as currently conducted (the "EKCO Intellectual Property Rights"), except where the failure to so own, or be licensed or otherwise entitled to exercise all rights under or with respect to such Intellectual Property Rights would not reasonably be expected to have a Material Adverse Effect. Section 3.16(a) of the EKCO Disclosure Schedules lists all material EKCO patents and registered trademarks, and any applications therefor. Section 3.16(a) of the EKCO Disclosure Schedule lists all material licenses, sublicenses and other agreements as to which EKCO is a party and pursuant to which EKCO is authorized to use third party patents, registered copyrights, registered trademarks, trade names and registered service marks (the "Material IP Agreements" and the "Third Party Intellectual Property Rights").

(b) Except as set forth in Section 3.16(b) of the EKCO Disclosure Schedule, EKCO has not received written notice of any claims with respect to the EKCO Intellectual Property Rights, which claims would reasonably be expected to have a Material Adverse Effect, and, to the knowledge of EKCO, there are no claims (i) to the effect that any business of EKCO as currently conducted infringes on or misappropriates any patents, copyrights, trademarks, trade names or service marks in which a third party has any rights or (ii) challenging the ownership, validity or effectiveness of any of the EKCO Intellectual Property Rights, in either case, which claims would reasonably be expected to have a Material Adverse Effect. Except as set forth in Section 3.16(c) of the EKCO Disclosure Schedule, no EKCO Intellectual Property Right is subject to any material lien, encumbrance or other secured interest.

(c) Neither EKCO nor, to EKCO's knowledge, any other party to any Material IP Agreement is, as a result of the execution and delivery of this Agreement or the performance of its obligations hereunder will not be, in violation of any Material IP Agreement, except such violations as would not reasonably be expected to have a Material Adverse Effect. Except as set forth in Section 3.16(c) of the EKCO Disclosure Schedule and except for those EKCO Intellectual Property Rights which are in the public domain, EKCO is the owner or licensee of, with all right, title and interest in and to (free and clear of any liens or encumbrances), the EKCO Intellectual Property Rights, and rights in respect thereof, and is not contractually obligated to pay any compensation to any third party.

(d) Except as set forth in Section 3.16(d) of the EKCO Disclosure Schedules, EKCO has taken all reasonable steps to protect, maintain and safeguard the EKCO Intellectual Property, and has made all filings and executed all agreements necessary or desirable in connection therewith, except for such steps, filings and agreements the absence of which would not reasonably be expected to have Material Adverse Effect.

3.17. INSURANCE. Section 3.17 of the EKCO Disclosure Schedule sets forth a complete and correct list of all material insurance policies and programs (other than welfare benefit insurance policies and programs), including self-insurance programs, maintained by EKCO. Except as set forth in Section 3.17 of the EKCO Disclosure Schedule, all material insurance policies maintained by EKCO or the EKCO Subsidiaries are in full force and effect and are not currently terminable, and the consummation of the transactions contemplated by this Agreement would not be expected to give rise to a right of termination on the part of the insurance carriers, other than those policies the absence or termination of which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.18. PROPERTIES. Section 3.18 of the EKCO Disclosure Schedule sets forth a list of all real property or interests in real property owned by EKCO. Section 3.18 of the EKCO Disclosure Schedule sets forth by location all material real property used or occupied by EKCO that is held under lease or sub-lease by EKCO (the "Leases"). Except for the properties subject to the Leases and as set forth in Section 3.18 of the EKCO Disclosure Schedule, EKCO has good title, free and clear of all liens, mortgages, claims, restrictions, pledges, or other claims or encumbrances to all their material tangible properties, except for (i) liens for current Taxes not yet due and payable, (ii) assets disposed of since the date of the EKCO Balance Sheet in the ordinary course of business, (iii) liens imposed by law and incurred in the ordinary course of business for obligations not yet due to carriers, warehousemen, laborers and materialmen, (iv) liens in respect of pledges or deposits under workers' compensation laws, and (v) liens and encumbrances which do not affect marketability of title or the use being made of such properties or immaterial title defects, all of which would not reasonably be expected to materially detract from the value or materially interfere with the present use of such properties. The Leases are in full force and effect, and EKCO holds a valid existing leasehold interest under each of the Leases on the terms set forth

in such Leases, except to the extent that the failure to be in full force and effect or the failure to hold a valid leasehold interest would not reasonably be expected to have a Material Adverse Effect. EKCO has made available to ACQUIROR complete and correct copies of each of the Leases, including all modifications, amendments and supplements thereto.

3.19. ENVIRONMENTAL MATTERS.

(a) EKCO and each EKCO Subsidiary is, and has been, in compliance with applicable Environmental Laws, except as would not reasonably be expected to have a Material Adverse Effect.

(b) Neither EKCO nor any EKCO Subsidiary has received written notice alleging that (i) EKCO or any EKCO Subsidiary is in violation of any applicable Environmental Law, which violation is unresolved or (ii) that EKCO or any EKCO Subsidiary is obligated to undertake, or to bear all or any portion of the cost of, any Cleanup, which, in the case of clauses (i) or (ii), would reasonably be expected to have a Material Adverse Effect.

(c) There have been no releases, spills or discharges of Regulated Materials (as hereinafter defined) on or underneath any location currently or formerly owned, leased or otherwise operated by EKCO or any of the EKCO Subsidiaries (the "Properties"), which release, spills or discharges would reasonably be expected to have a Material Adverse Effect. There are no pending or, to the knowledge of EKCO, threatened claims, liens or encumbrances resulting from Environmental Laws with respect to any of the EKCO Properties, which claims, liens or encumbrances would reasonably be expected to have a Material Adverse Effect.

(d) Regulated materials have not been disposed of or arranged to be disposed of by EKCO or any EKCO Subsidiary in violation of, or in a manner or to a location that could reasonably be expected to give rise to liability under, Environmental Laws that could reasonably be expected to have a Material Adverse Effect.

(e) For purposes of this Agreement the following terms shall have the following meanings:

"Cleanup" means all actions required to: (i) cleanup, remove, treat or remediate Regulated Materials, (ii) prevent the release of Regulated Materials so that they do not migrate, endanger or threaten to endanger public health or the environment, or (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care.

"Environmental Laws" shall mean all federal, state, local laws, statutes, ordinances, codes, rules, regulations, judgments, orders and decrees related to the protection of the environment or the handling, use, recycling, generation, treatment, storage, transportation or disposal of Regulated Materials.

"Regulated Materials" shall mean any pollutants; contaminants; or toxic, hazardous or extremely hazardous substances, materials or wastes, regulated by, or that could result in liability under, any Environmental Laws.

3.20. YEAR 2000. Except as would not individually or in the aggregate have a Material Adverse Effect, all computer hardware, software, databases, systems and other computer equipment (collectively, "Systems") owned, held, and/or used by EKCO or any of the EKCO Subsidiaries (including, to the knowledge of EKCO, Systems obtained from third parties) can be used prior to, during and after the calendar year 2000 A.D., and will operate during each such time period, either on a stand-

alone basis, or by interacting or interoperating with third-party software without error relating to the processing, calculating, comparing, sequencing or other use of date data (the foregoing ability, "Year 2000 Compliant") except as disclosed in the EKCO Public Reports filed and publicly available prior to the date of this Agreement.

3.21. ABSENCE OF CERTAIN LIABILITIES. Except for matters reflected or reserved against in the balance sheet as of March 31, 1999 included in the financial statements contained in the EKCO Public Reports filed on or prior to the date hereof, EKCO had not at that date, and has not since that date, incurred any liabilities or obligations (whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due) of any nature except liabilities or obligations that (a) were incurred in the ordinary course of business consistent with past practices and (b) have not had, and could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.22. TAKEOVER STATUTE. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby including the Offer, the purchase of Shares pursuant thereto and the Merger have been approved by the Board of Directors for purposes of Section 203 of the DGCL.

3.23. RIGHTS AGREEMENT. EKCO and the Board of Directors of EKCO have taken all necessary action so that (a) the execution and delivery of this Agreement, the making of the Offer, the acquisition of the EKCO Shares pursuant to the Offer, the consummation of the Merger and the consummation of the transactions contemplated hereby do not and will not, with or without the passage of time, result in (i) the grant of any Rights to any person under the Rights Agreement or enable or require EKCO's outstanding Rights to be exercised, distributed or triggered, (ii) ACQUIROR, Acquisition Subsidiary or any of their affiliates becoming an "Acquiring Person" (as defined in the Rights Agreement), or (iii) the occurrence of a "Distribution Date" or "Shares Acquisition Date" (as each such term is defined in the Rights Agreement) and (b) the Rights will expire at, and subject to, the consummation of the Offer.

3.24. OPINION OF FINANCIAL ADVISOR. EKCO has received the written opinion of Lehman Brothers dated August 4, 1999 to the effect that, as of the date hereof, the Per Share Amount to be received by the stockholders of EKCO is fair to the holders of EKCO Shares from a financial point of view. A written copy of such opinion has been delivered by EKCO to ACQUIROR.

3.25. OFFER DOCUMENTS; SCHEDULE 14D-9; PROXY STATEMENT. The information supplied by EKCO for inclusion in the Schedule 14D-9 and the Offer Documents shall not, at the respective times the Schedule 14D-9 or the Offer Documents are filed with the SEC or are first published, sent or given to stockholders of EKCO, as the case may be, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading. The information supplied by EKCO for inclusion in the proxy statement to be sent to the stockholders of EKCO in connection with the Stockholders' Meeting or the information statement to be sent to such stockholders, as appropriate (such proxy statement or information statement, as amended or supplemented, being referred to herein as the "Proxy Statement"), shall not, at the date the Proxy Statement (or any amendment or supplement thereto) is first mailed to stockholders of EKCO, at the time of the Stockholders' Meeting and at the Effective Time, contain any untrue statement of a material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading.

3.26. STOCKHOLDER VOTE REQUIRED. Under the DGCL and EKCO's amended and restated certificate of incorporation and by-laws, the only vote required to adopt this Agreement is the affirmative vote of the holders of a majority of the outstanding EKCO Shares, voting as a single class.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF ACQUISITION SUBSIDIARY AND ACQUIROR

Each of Acquisition Subsidiary and ACQUIROR, jointly and severally, represent and warrant to EKCO, as of the date hereof, as follows:

4.1. ORGANIZATION, EXISTENCE AND CAPITAL STOCK.

(a) ACQUIROR is a corporation duly organized and validly existing and is in good standing under the laws of the State of the Delaware and ACQUIROR has all necessary corporate power to own its properties and assets and to carry on its business as presently conducted, except where the failure to be so organized, validly existing and in good standing would not, individually or in the aggregate, prevent or delay consummation of the transactions contemplated by this Agreement. ACQUIROR is duly qualified to do business and is in good standing in all jurisdictions in which the character of the property owned, leased or operated or the nature of the business transacted by it makes qualification necessary, except where the failure to be so qualified or in good standing would not, individually or in the aggregate, prevent or delay consummation of the transactions contemplated by this Agreement.

(b) Acquisition Subsidiary is a corporation duly organized and validly existing and is in good standing under the laws of the State of Delaware and has all necessary corporate power to own its properties and assets and to carry on its business as presently conducted. All of the shares of Acquisition Subsidiary have been duly authorized and validly issued and are owned, either directly or indirectly, by ACQUIROR, and are fully paid and nonassessable.

4.2. AUTHORIZATION OF AGREEMENT. Each of ACQUIROR and Acquisition Subsidiary has all necessary corporate power and authority to execute and deliver this Agreement and each other document, agreement, certificate and instrument required hereby to be executed and delivered by it at the Closing, to perform its obligations hereunder and thereunder and to consummate the Offer, the Merger and the other transactions contemplated hereby and thereby. The execution and delivery by each of ACQUIROR and Acquisition Subsidiary of this Agreement and each other document, agreement, certificate and instrument required hereby to be executed and delivered by ACQUIROR and Acquisition Subsidiary at the Closing and the performance of their respective obligations hereunder and thereunder have been duly and validly authorized by the Board of Directors of each of ACQUIROR and Acquisition Subsidiary and by ACQUIROR as the sole stockholder of Acquisition Subsidiary. Except for filing of the Certificate of Merger, no other corporate proceedings on the part of ACQUIROR or Acquisition Subsidiary are necessary to authorize the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by each of ACQUIROR and Acquisition Subsidiary and, assuming due authorization, execution and delivery hereof by EKCO, constitutes a legal, valid and binding obligation of each of ACQUIROR and Acquisition Subsidiary, enforceable against each of ACQUIROR and Acquisition Subsidiary in accordance with its terms.

4.3. NON-CONTRAVENTION; CONSENTS

(a) Neither the execution or delivery of this Agreement or any other document, agreement, certificate or instrument nor the consummation of the transactions contemplated hereby or thereby does or will:

(i) violate, conflict with, or constitute a default under, the Certificate of Incorporation or other charter document, as amended, or Bylaws, as amended, of ACQUIROR or Acquisition Subsidiary; or

(ii) assuming that all consents, approvals, orders or authorizations contemplated by subsection (b) below have been obtained and all filings described therein have been made, (A) violate any statute or law or any rule, regulation, order, writ, injunction, judgment or decree of any court or Governmental Entity to which ACQUIROR or Acquisition Subsidiary or any of their assets or properties are subject or (B) result in a violation or breach of, or constitute (with or without notice or lapse of time or both) a default under, or give rise to any right of termination, acceleration or modification of, any note, bond, mortgage, indenture, deed of trust, license, lease or other agreement, instrument or obligation to which ACQUIROR or Acquisition Subsidiary is a party or by which their or any of their assets or properties may be bound.

(b) Except for the expiration or termination of the applicable waiting period under the HSR Act and any applicable foreign competition laws, and except for such filings, permits, authorizations, consents and approvals as may be required under, and other applicable requirements of, the Securities Act, the Exchange Act and the Blue Sky laws, and except for the filing and recordation of a Certificate of Merger as required by the DGCL, there is no other consent, approval, order or authorization of, or filing with, or any permit from, or any notice to, any court or Governmental Entity required to be obtained by ACQUIROR or Acquisition Subsidiary in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby.

4.4. COMMISSIONS AND FEES. Except for fees owed to Goldman, Sachs & Co., no agent, broker, person or firm acting on behalf of ACQUIROR or Acquisition Subsidiary is or will be entitled to any brokerage commissions, investment bankers' fees or finder's fees in connection with the transaction contemplated by this Agreement.

4.5. NO SUBSIDIARIES. Acquisition Subsidiary does not own stock in, and does not control directly or indirectly, any other corporation, association or business organization. Acquisition Subsidiary is not a party to any joint venture or partnership.

4.6. NO PRIOR ACTIVITIES. Other than the obligations created under this Agreement, Acquisition Subsidiary has neither incurred any obligation or liability nor engaged in any business activities of any type or kind whatsoever, and is not obligated under any contracts, claims, leases, liabilities, loans or otherwise.

4.7. OFFER DOCUMENTS; PROXY STATEMENT. The information supplied by ACQUIROR and Acquisition Subsidiary for inclusion in the Offer Documents will not, at the time the Offer Documents are filed with the SEC or are first published, sent or given to stockholders of EKCO, as the case may be, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading. The information supplied by ACQUIROR and Acquisition Subsidiary for inclusion in the Proxy Statement will not, on the date the Proxy Statement (or any amendment or supplement thereto) is first mailed to stockholders of EKCO, at the time of the

Stockholders' Meeting or at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not false or misleading.

4.8. FINANCING. At the time of the consummation of the Offer, ACQUIROR and Acquisition Subsidiary will have cash and/or cash equivalents available to irrevocably provide the amount of cash necessary to accept for payment and pay for all EKCO Shares eligible to be tendered pursuant to the Offer and to permit the Surviving Corporation to pay the aggregate Merger Consideration, and to pay all related fees and expenses, and will make such funds available to Acquisition Subsidiary.

4.9. LEGAL PROCEEDINGS. As of the date this Agreement, there is no litigation, governmental investigation or other proceeding against either ACQUIROR or Acquisition Subsidiary, or to the knowledge of either ACQUIROR nor Acquisition Subsidiary, pending or threatened, relating to this Agreement or the transactions contemplated hereby.

4.10. DGCL 203. At no time during the three (3) years prior to the date of this Agreement has ACQUIROR, Acquisition Subsidiary or any of their respective affiliates or associates been an "interested person" within the meaning of and as defined in Section 203 of the DGCL.

ARTICLE V

COVENANTS

5.1. PRESERVATION OF BUSINESS. Except as expressly contemplated by this Agreement or as set forth in Section 5.1 of the EKCO Disclosure Schedule, during the period from the date of this Agreement to the Effective Time, EKCO and the EKCO Subsidiaries shall in all material respects conduct their operations according to their ordinary and usual course of business and consistent with past practice, and EKCO shall use its commercially reasonable best efforts to preserve intact the business organization of EKCO, keep available the services of its current officers and employees and preserve the goodwill of those having advantageous business relationships with it and the EKCO Subsidiaries. Without limiting the generality of the foregoing, and except as expressly contemplated by this Agreement, or as set forth in the EKCO Disclosure Schedules, neither EKCO nor any of the EKCO Subsidiaries, as the case may be, will, without the prior written consent of ACQUIROR:

(a) issue, deliver, sell, dispose of or pledge, or authorize or propose the issuance, delivery, sale, disposition or pledge of, additional shares of its capital stock or any of its other securities or securities convertible into any such shares or any other securities or equity equivalents (including, without limitation, stock appreciation rights), or any rights, warrants or options to acquire or enter into any arrangement or contract with respect to the issuance or sale of, any such shares, securities or other convertible securities, other than in connection with the exercise of EKCO Options or EKCO Warrants outstanding on July 4, 1999, pursuant to EKCO's Dividend Reinvestment and Stock Purchase Plan, or upon conversion of EKCO's ESOP Preferred Stock, or make any other changes in its capital structure;

(b) split, combine, subdivide, reclassify or redeem, or purchase or otherwise acquire, directly or indirectly, or propose to do any of the foregoing with respect to, any of its capital stock or other securities;

(c) declare, pay, set aside or make any dividend or distribution on or payment with respect to the EKCO Shares or any other shares of its capital stock;

(d) except pursuant to agreements or arrangements in effect on the date hereof, purchase or otherwise acquire, sell or otherwise dispose of or encumber (or enter into any agreement to so purchase or otherwise acquire, sell or otherwise dispose of or encumber) any material amount of its properties or assets except in the ordinary course of business consistent with past practice or adopt a plan of complete or partial liquidation or resolutions providing for or authorizing such a liquidation or a dissolution, merger, consolidation, restructuring, recapitalization or reorganization of EKCO;

(e) adopt any amendments to the Certificate of Incorporation or Bylaws of EKCO;

(f) (i) increase the compensation or fringe benefits of any of its directors or officers or employees, except pursuant to the terms of agreements or plans currently in effect which increases, for each such individual, shall not exceed five percent (5%) of each such individual's annual rate of compensation; (ii) pay or agree to pay any pension, retirement allowance or other employee benefit not required or permitted by any existing plan, agreement or arrangement to any director or officers; (iii) commit itself to any additional pension, profit-sharing, bonus, extra compensation, incentive, deferred compensation, stock option, stock appreciation right, group insurance, severance pay, retirement or other employee benefit plan, agreement or arrangement, or to any employment or consulting agreement with or for the benefit of any director or officer, whether past or present; (iv) except as required by applicable law or as reported in Section 5.1(f) of the EKCO Disclosure Schedule, amend in any material respect any such material plan, agreement or arrangement; or (v) pay or agree to pay any discretionary severance amount;

(g) except in the ordinary course of business (i) incur any amount of indebtedness for borrowed money or issue any debt securities or assume, guarantee or endorse or otherwise become liable in respect of the obligations of any other person except for obligations of wholly-owned EKCO Subsidiaries outstanding on the date hereof, (ii) make any loans, advances or capital contributions to, or investments in, any other person (other than to wholly-owned EKCO Subsidiaries in the ordinary course of business consistent with past practice), (iii) pledge or otherwise encumber shares of capital stock of EKCO or any EKCO Subsidiaries, or (iv) mortgage or pledge any material amount of its assets, tangible or intangible, or create or suffer to exist any lien thereupon;

(h) (i) acquire (by merger, consolidation or acquisition of stock or assets) any corporation. partnership or other business organization or division, (ii) make any capital expenditure or commitments for additions to plant, property or equipment constituting capital assets except expenditures pursuant to commitments existing as of the date of this Agreement or as contemplated in the annual budget of EKCO and the EKCO Subsidiaries (a copy of which has been provided to ACQUIROR), (iii) change any assumption underlying, or method of calculating, any bad debt, contingency or other reserve or change any other material accounting principle or practice used by it (except changes that may be necessary or appropriate in order to comply with a change in generally accepted accounting principles that take effect after the date of this Agreement), (iv) pay, discharge or satisfy any material claims, liabilities or obligations (absolute, accrued, contingent or otherwise) other than the payment, discharge or satisfaction of liabilities in the ordinary course consistent with past practice, (v) waive, release, grant or transfer any rights of a material value or modify or change in any material respect or renew any existing license, lease, contract or other document, (vi) make or change any Tax election, make or change any method of accounting with respect to Taxes, file any amended Tax Return, or settle or compromise any proceeding with respect to any Tax liability;

(i) engage in any transaction with, or enter into any agreement, arrangement, or understanding with, directly or indirectly, any of EKCO's affiliates, other than EKCO Subsidiaries, including, without limitation, any transactions, agreements, arrangements, or understandings with any affiliate or other person covered under Item 404 of Regulation S-K under the Securities Act that would be required to be disclosed under such Item 404;

(j) amend, modify or terminate any existing Intellectual Property license, execute any new Intellectual Property license, sell, license or otherwise dispose of, in whole or in part, any EKCO Intellectual Property, and/or subject any EKCO Intellectual Property to any encumbrance; or

(k) enter into any contract, agreement, commitment or arrangement with respect to, or resolve to do, any of the foregoing.

5.2. ACQUISITION PROPOSALS; NO SOLICITATION. From the date hereof until the earlier of the termination of this Agreement or the Effective Time, EKCO shall not, and will direct each affiliate, officer, director, representative and agent of EKCO and its affiliates not to, directly or indirectly, encourage, solicit, participate in or initiate discussions or negotiations with any corporation, partnership, person or other entity or group (other than ACQUIROR or an affiliate or an associate of ACQUIROR) or take any other action to facilitate, any inquiry or the making of any proposal or offer which constitutes, or may reasonably be expected to lead to, an offer or proposal for any merger, reorganization, share exchange, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving EKCO or any of the EKCO Subsidiaries, or any purchase or sale of more than 15% of the assets (including stock of the EKCO Subsidiaries) of EKCO and the EKCO Subsidiaries taken as a whole, or any purchase or sale of, or tender or exchange offer for, more than 15% of the equity securities of EKCO or any of the EKCO Subsidiaries (an "Acquisition Proposal") or furnish to any other person any information with respect to its business, properties or assets in connection with any of the foregoing, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other person to do or seek any of the foregoing. In addition, EKCO shall, and shall cause each affiliate, officer, director, representative and agent of EKCO to, immediately cease any existing discussions or negotiations, or other activities referred to in the immediately preceding sentence, with any person conducted heretofore with respect to any of the foregoing matters referred to in the immediately preceding sentence. Notwithstanding the foregoing, EKCO may, (i) refer any party to this Section 5.2, (ii) directly or indirectly, furnish information and access, in response to unsolicited requests therefor to any corporation, partnership, person or other entity or group that has made a Superior Proposal (as defined below) and to any investment banker, financial advisor, attorney, accountant or other representative retained by such party, pursuant to an appropriate confidentiality agreement and may participate in discussions and negotiations concerning any such Superior Proposal if the Board of Directors determines in its good faith judgment, after receiving and based upon advice from outside legal counsel, that such action is required to prevent the Board of Directors of EKCO from breaching its fiduciary duties to the stockholders of EKCO under Delaware law and (iii) to the extent applicable, comply with Rule 14e-2 or 14d-9 promulgated under the Exchange Act with regard to an Acquisition Proposal, subject in the case of clauses (ii) and (iii) to any rights of ACQUIROR to terminate this Agreement and receive payment of any fee due under Article VII as a result thereof. EKCO shall promptly notify ACQUIROR orally and in writing if any unsolicited request for information and access in connection with a possible Acquisition Proposal involving such a party is made and shall, in any such notice to ACQUIROR, indicate in reasonable detail the identity of the offeror and the terms and conditions of any proposal or offer, or any such inquiry or contact. "Superior Proposal" means any bona fide written Acquisition Proposal made by a third party after the date hereof which, if consummated, will result in a transaction that, taking into account all legal, financial and regulatory

aspects and consequences of the proposal and the person making such proposal, including the relative expected consummation date and the risk of non-consummation, is financially superior, is not subject to a financing contingency and is otherwise as favorable in all material respects to EKCO's stockholders as the Offer and the Merger. EKCO also agrees not to release any third party from, waive any provisions of, or to fail to enforce any confidentiality or standstill agreement to which EKCO is a party.

5.3. MEETINGS OF STOCKHOLDERS; PROXY STATEMENT.

(a) If required by applicable law in order to consummate the Merger, EKCO shall take all necessary action to duly call, give notice of, convene and hold an annual or special meeting of its stockholders as soon as practicable after the consummation of the Offer for the purpose of considering and taking action on this Agreement and the transactions contemplated hereby (the "Stockholders' Meeting"). At the Stockholders' Meeting, ACQUIROR and Acquisition Subsidiary shall cause all EKCO Shares then owned by them and their subsidiaries to be voted in favor of the approval and adoption of this Agreement and the transactions contemplated hereby.

(b) In the event a Stockholders' Meeting is called, EKCO will prepare and file with the SEC a Proxy Statement for the solicitation of a vote of holders of EKCO Shares approving the Merger, which shall include the recommendation of the Board of Directors of EKCO that stockholders of EKCO vote in favor of the approval and adoption of this Agreement.

(c) Subject to Section 5.3(d), if required by applicable law, as soon as practicable following consummation of the Offer, EKCO shall file the Proxy Statement with the SEC under the Exchange Act, and shall use its reasonable best efforts to have the Proxy Statement cleared by the SEC. ACQUIROR, Acquisition Subsidiary and EKCO shall cooperate with each other in the preparation of the Proxy Statement, and EKCO shall notify ACQUIROR of the receipt of any comments of the SEC with respect to the Proxy Statement and of any requests by the SEC for any amendment or supplement thereto or for additional information and shall provide to ACQUIROR promptly copies of all correspondence between EKCO or any representative of EKCO and the SEC. EKCO shall give ACQUIROR and its counsel the reasonable opportunity to review the Proxy Statement prior to its being filed with the SEC and shall give ACQUIROR and its counsel the reasonable opportunity to review all amendments and supplements to the Proxy Statement and all responses to requests for additional information and replies to comments prior to their being filed with, or sent to, the SEC. Each of EKCO, ACQUIROR and Acquisition Subsidiary agrees to use its reasonable efforts, after consultation with the other parties hereto, to respond promptly to all such comments of and requests by the SEC and to cause the Proxy Statement and all required amendments and supplements thereto to be mailed to the holders of EKCO Shares entitled to vote at the Stockholders' Meeting at the earliest practicable time.

(d) Notwithstanding the foregoing, in the event that Acquisition Subsidiary shall acquire at least 90% of the outstanding EKCO Shares, EKCO agrees, at the request of Acquisition Subsidiary, subject to Article VI, to take all necessary and appropriate action to cause the Merger to become effective as soon as reasonably practicable after such acquisition, without a meeting of EKCO's stockholders, in accordance with Section 253 of the DGCL.

5.4. ACCESS TO INFORMATION; CONFIDENTIALITY

(a) Subject to applicable law and the agreements set forth in Section 5.4(b), between the date of this Agreement and the Effective time, EKCO shall and shall cause each of its subsidiaries and agents to (i) give ACQUIROR and its representatives reasonable access, during regular business hours upon

reasonable written notice, to all of the employees, properties, offices, facilities, books, records, files, correspondence, audits and officers of EKCO and the EKCO Subsidiaries, (ii) permit ACQUIROR and its representatives to make such reasonable inspections of such employees, properties, offices, facilities, books, records, files, correspondence, audits and (iii) cause its officers and those of the EKCO Subsidiaries to furnish ACQUIROR with access to such financial and operating data and other information with respect to the business and assets of EKCO and the EKCO Subsidiaries as ACQUIROR may from time to time reasonably request; provided, however, that such access does not unreasonably inhibit or hinder the business or operations of EKCO or any EKCO Subsidiary. EKCO shall furnish promptly to ACQUIROR and Acquisition Subsidiary a copy of each report, schedule, registration statement and other document filed by it or its subsidiaries during such period pursuant to the requirements of federal or state securities laws.

(b) Any and all information obtained by ACQUIROR or Acquisition Subsidiary shall be subject to the provisions of the confidentiality agreement between ACQUIROR and EKCO dated May 3, 1999 (the "Confidentiality Agreement"), which agreement remains in full force and effect and is hereby ratified and affirmed by the parties hereto. No investigation pursuant to this Section 5.4 or otherwise shall affect any representations or warranties of the parties herein or the conditions to the obligations of the parties hereto.

(c) Between the date of this Agreement and the Effective Time, EKCO shall provide ACQUIROR promptly at the end of each month with such monthly financial data as is customarily prepared for the executive officers of EKCO, including an income statement and statement of cash flows for such month and a balance sheet as of the end of such month.

5.5. HSR ACT AND FOREIGN COMPETITION LAWS. ACQUIROR and EKCO shall promptly make all filings required by each of them under the HSR Act and any applicable foreign competition laws with respect to the Offer, the Merger and the transactions contemplated hereby, and shall cooperate with each other in connection with determining which filings are required to be made prior to the Effective Time with, and which consents, approvals, permits or authorizations are required to be obtained prior to the Effective Time from, any Governmental Entity and making all such filings and obtaining all such consents, approvals, permits or authorizations. EKCO and ACQUIROR shall use their reasonable best efforts to obtain all permits, authorizations, consents, expiration or termination of waiting periods, and approvals from third parties and any Governmental Entity necessary to consummate the Offer, the Merger and the transactions contemplated hereby. For purposes of this Section 5.5, Section 5.9 and condition (a) set forth in ANNEX A, "reasonable best efforts" of ACQUIROR shall not require ACQUIROR to agree to any prohibition, limitation, or other requirement which would prohibit or materially limit the ownership or operation by EKCO or any of the EKCO Subsidiaries, or by ACQUIROR, Acquisition Subsidiary or any of ACQUIROR's subsidiaries of all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries, or compel Acquisition Subsidiary, ACQUIROR or any of ACQUIROR's subsidiaries to dispose of or hold separate all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries. EKCO shall not agree to any such prohibition, limitation, or other requirement without the prior written consent of ACQUIROR.

5.6. ACCOUNTING METHODS. EKCO shall not change its methods of accounting in effect at its most recent fiscal year end, except as required by changes in generally accepted accounting principles as concurred by its independent accountants.

5.7. PUBLIC DISCLOSURES. ACQUIROR and EKCO will consult with each other and mutually agree before issuing any press release or otherwise making any public statement with respect to the Offer, the Merger and other transactions contemplated by this Agreement, and shall not issue any such press release or make any such public statement prior to such consultation and agreement except as may be required by applicable law or requirements of any exchange upon which the EKCO Shares or the shares of ACQUIROR are traded, in which case the party proposing to issue such press release or make such public announcement shall use its reasonable best efforts to consult in good faith with and obtain the approval of the other party before issuing such press releases or making any such public statements. The parties shall issue a joint press release, mutually acceptable to ACQUIROR and EKCO, promptly upon execution and delivery of this Agreement.

5.8. INDEMNIFICATION AND INSURANCE.

(a) Subject to the occurrence of the Effective Time, until the six year anniversary date of the Effective Time, the ACQUIROR and the Surviving Corporation agree that all rights to indemnification or exculpation now existing in favor of the present and former officers, directors, employees and other indemnifed parties (the "Indemnified Parties") as provided in the respective charters or by-laws or otherwise in effect as of the date hereof shall survive the Merger and shall continue in full force and effect, and ACQUIROR shall cause the Surviving Corporation to, and the Surviving Corporation shall, keep in effect all such indemnification and exculpation provisions to the fullest extent permitted under applicable law, which provisions shall not be amended, repealed or otherwise modified for such six-year period after the Effective Time, except as required by applicable law or except to make changes permitted by applicable law that would enlarge the exculpation or rights of indemnification thereunder. To the maximum extent permitted by the DGCL, such indemnification shall be mandatory rather than permissive and the Surviving Corporation shall advance expenses as incurred to the fullest extent permitted under applicable law in connection with such indemnification.

(b) For a period of six years after the Effective Time, the ACQUIROR shall cause the Surviving Corporation and the Surviving Corporation shall cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by EKCO (or policies of at least the same coverage and amounts containing terms and conditions which are no less advantageous) with respect to claims arising from facts or events which occurred before the Effective Time and covering parties who are covered by such current insurance, provided, however, that in no event shall the Surviving Corporation be required to expend in any one year an amount in excess of 200% of the annual premium currently paid by EKCO for such insurance (in which case the Surviving Corporation shall obtain the maximum amount of coverage that may be obtained for such premium). EKCO represents and warrants that the current annual premium for such insurance is $267,469.

(c) This Section 5.8 is intended to be for the benefit of, and shall be enforceable by, the Indemnified Parties, their heirs and personal representatives and shall be binding on ACQUIROR and Acquisition Subsidiary and the Surviving Corporation and their respective successors and assigns.

(d) In the event ACQUIROR or the Surviving Corporation or any of their successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of ACQUIROR or the Surviving Corporation, as the case may be, or at ACQUIROR's option, ACQUIROR, shall assume the obligations set forth in this Section 5.8.

5.9. REASONABLE BEST EFFORTS.

(a) Subject to the terms and conditions provided herein, each of the parties hereto agrees to cooperate and use its reasonable best efforts to take, or cause to be taken, all necessary or appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations or otherwise to consummate and make effective the Offer, the Merger and all other transactions contemplated by this Agreement including, without limitation, the execution of any additional instruments necessary to consummate the transactions contemplated hereby and seeking to lift, rescind or reverse any legal restraint imposed on the consummation of the transactions contemplated by this Agreement. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and directors of each party hereto shall take all such necessary action.

(b) At the request of ACQUIROR, EKCO shall, as soon as reasonably practicable after such request, commence a debt tender offer for its 9 1/4% Senior Notes due 2006 (the "Senior Notes") together with a solicitation of consents to amend the Senior Notes Indenture, dated as of March 25, 1996 and amended by a First Supplemental Indenture dated January 16, 1998, between EKCO and State Street Bank and Trust Company (successor to Fleet National Bank of Connecticut), as trustee (the "Senior Notes Indenture"; such amendment, the "Senior Notes Indenture Amendment"; and such debt tender offer and consent solicitation, collectively, the "Debt Offer"). The Debt Offer shall be on the terms and conditions provided to EKCO by ACQUIROR. ACQUIROR shall be entitled to be involved in and shall cooperate in a full and timely fashion with EKCO in EKCO's preparation of the documents to be sent to the holders of the Senior Notes in connection with the Debt Offer (together with any supplements or amendments thereto, the "Debt Offer Documents"). EKCO shall waive any of the conditions to the Debt Offer and make any other changes in the terms and conditions of the Debt Offer as may be reasonably requested by ACQUIROR, and EKCO shall not, without ACQUIROR's prior written consent, waive any condition to the Debt Offer or make any changes to the terms and conditions of the Debt Offer. ACQUIROR and EKCO each agrees promptly to correct any information provided by it for use in the Debt Offer Documents that shall have become false or misleading in any material respect, and EKCO further agrees to take all steps necessary to cause the Debt Offer Documents as so corrected to be disseminated to holders of Senior Notes. Provided the conditions of the Debt Offer are met or, at the sole discretion of ACQUIROR, waived, EKCO shall accept for payment and pay for the Senior Notes validly tendered and not withdrawn pursuant to the Debt Offer simultaneously with the consummation of the Offer. At the request of EKCO, ACQUIROR shall provide EKCO with prompt assistance in the preparation of documents necessary to carrying out the Debt Offer. ACQUIROR shall pay all costs and expenses, including but not limited to legal fees incurred by EKCO, incurred in connection with the Debt Offer.

(c) EKCO agrees to use commercially reasonable best efforts to provide, and use commercially reasonable best efforts to cause the EKCO Subsidiaries and its and their respective officers, employees, representatives and agents to provide, all necessary cooperation in connection with the arrangement and closing of any financing arranged or approved by ACQUIROR or its affiliates, to be consummated contemporaneous with or at or after consummation of the Offer or the Effective Time in respect of the transactions contemplated hereby, including without limitation, the negotiation and execution of loan documents, the preparation of disclosure schedules, the preparation of offering memoranda, private placement memoranda or other similar documents, participation in meetings, due diligence sessions and road shows (consistent with such individuals' responsibilities for the ongoing operations of EKCO), the execution and delivery, with effectiveness no earlier than consummation of the Debt Offer, of any pledge and security documents, other definitive financing documents, or other

requested certificates or documents as reasonably may be requested by ACQUIROR. In addition, in connection with the obtaining of any such financing, EKCO agrees to request opinions of EKCO's legal counsel and "comfort letters" of EKCO's accountants reasonably required in connection with such financing and, at the request of ACQUIROR, following the consummation of the Offer, to call for prepayment or redemption, or to prepay, redeem and/or renegotiate, as the case may be, any then existing indebtedness of EKCO to the extent financing is available therefor.

(d) At or prior to consummation of the Offer, ACQUIROR will provide to EKCO all necessary funds to purchase the Senior Notes pursuant to the Debt Offer. For the avoidance of doubt, the Debt Offer will be conditional upon the consummation of the Offer.

5.10. NOTICE OF SUBSEQUENT EVENTS. EKCO shall give prompt notice to ACQUIROR or Acquisition Subsidiary, and ACQUIROR or Acquisition Subsidiary shall give prompt notice to EKCO, as the case may be, of (i) the occurrence, or non-occurrence, of any event the respective occurrence, or non-occurrence, of which would be likely to cause any representation or warranty contained in this Agreement to be untrue or inaccurate and (ii) any failure of EKCO, ACQUIROR or Acquisition Subsidiary, as the case may be, to comply or satisfy any covenant, condition or agreement to be complied with under this Agreement; PROVIDED, HOWEVER, that the delivery of any notice pursuant to this Section 5.11 shall not relieve any party giving such notice of its obligation hereunder.

5.11. EMPLOYMENT; EMPLOYEE WELFARE.

(a) ACQUIROR will cause the Surviving Corporation to maintain for a period of not less than one year following the Closing Date employee compensation and benefit plans, programs, policies and fringe benefits (including any post-employment benefits) as set forth in Section 3.14(a) of the EKCO Disclosure Schedule, and excluding those relating to equity securities of EKCO, that are no less favorable than those provided to such employees of EKCO and EKCO Subsidiaries, as applicable, under the Plans as in effect immediately prior to the Closing (the "Existing Plans"), subject to the right to amend or terminate such Existing Plans in accordance with their terms, provided that after any such amendment or termination such programs, policies and fringe benefits continue to be, in the aggregate, substantially equivalent to the Existing Plans.

(b) As of the Closing Date and for a period of not less than one year thereafter, ACQUIROR will cause the Surviving Corporation to provide to all employees of EKCO and EKCO Subsidiaries severance pay and benefits, to the extent such pay and benefits are provided under the applicable severance plans, programs, agreements and policies of EKCO and the EKCO Subsidiaries, as applicable, as in effect immediately prior to the Closing and as are set forth on Section 5.11(b) of the EKCO Disclosure Schedule (the "Existing Severance Benefits") which are equivalent to such Existing Severance Benefits, subject to the right to amend or terminate such Existing Severance Benefits in accordance with their terms, provided that after any such amendment or termination such severance pay and benefits continue to be substantially equivalent to the Existing Severance Benefits. Further, ACQUIROR shall credit the prior service of all employees of EKCO and EKCO Subsidiaries to EKCO and the EKCO Subsidiaries, as applicable, for purposes of determining the eligibility, vesting or qualification of such employees of EKCO and EKCO Subsidiaries under Existing Plans, Existing Severance Benefits and any successor plans and benefit programs.

(c) From and after the Effective Time, ACQUIROR shall cause the Surviving Corporation to assume and honor in accordance with their terms all existing employment and severance agreements and arrangements set forth in Section 5.11(c) of the EKCO Disclosure Schedule.

(d) ACQUIROR shall reimburse (or cause the Surviving Corporation to reimburse) any director, officer or employee (or former director, officer or director) of EKCO or any of EKCO Subsidiaries for all costs and expenses, including attorneys' fees, incurred by such person in successfully enforcing the provisions of this Section 5.11.

5.12. GUARANTEE OF ACQUISITION SUBSIDIARY'S OBLIGATIONS. ACQUIROR hereby unconditionally and irrevocably guarantees to EKCO the due and timely performance and observance by Acquisition Subsidiary (and its affiliates, pursuant to Section 1.1(d)(iv)) of all of its representations, warranties, covenants, agreements and obligations under this Agreement.

5.13. NO AMENDMENT TO THE RIGHTS AGREEMENT. Subject to applicable law, EKCO shall not amend, modify or waive any provision of the Rights Agreement, and shall not take any action to redeem the Rights or render the Rights inapplicable to any transaction other than the transactions to be effected pursuant to this Agreement.

5.14. YEAR 2000 REMEDIATION PROGRAM.

(a) Promptly following the date hereof, EKCO shall retain Keane, Inc. or another third party consultant acceptable to ACQUIROR to perform a Year 2000 Quality Assurance Review on EKCO and the EKCO Subsidiaries. EKCO shall, and shall cause its subsidiaries, and employees and agents to cooperate in all material respects with such consultant and provide such consultant with reasonable access to its premises and personnel, and shall implement in a timely manner all reasonable recommendations of such consultant, unless EKCO and ACQUIROR agree otherwise.

(b) Promptly following the date of this Agreement, EKCO shall implement a retention/stay bonus program for its Year 2000 implementation personnel and selected critical system users as shall be reasonably directed by ACQUIROR.

ARTICLE VI

CONDITIONS TO MERGER

6.1. MUTUAL CONDITIONS. The respective obligations of each party to effect the Merger shall be subject to the satisfaction, at or prior to the Effective Time, of the following conditions (any of which may be waived in writing by ACQUIROR, Acquisition Subsidiary and EKCO):

(a) no Governmental Entity shall have issued an Order or injunction which would prohibit or restrict consummation of the Merger; PROVIDED, HOWEVER, that if the foregoing has occurred, each party shall use its reasonable best efforts to lift, rescind, cause to expire, terminate or ameliorate the effects of any such decree, Order or injunction;

(b) if required by applicable law, this Agreement and the Merger shall have been approved and adopted by the requisite vote of the holders of EKCO Shares; and

(c) Acquisition Subsidiary or its permitted assignee shall have purchased all EKCO Shares validly tendered and not withdrawn pursuant to the Offer; PROVIDED, HOWEVER, that this condition shall not be applicable to the obligations of ACQUIROR or Acquisition Subsidiary if, in material breach of this

Agreement or the terms of the Offer, Acquisition Subsidiary fails to purchase any EKCO Shares validly tendered and not withdrawn pursuant to the Offer.

ARTICLE VII

TERMINATION

7.1. TERMINATION. This Agreement may be terminated and the Merger may be abandoned at any time notwithstanding approval thereof by the holders of EKCO Shares (except as otherwise set forth in this Section 7.1), but prior to the Effective Time:

(a) by mutual written consent of the parties duly authorized by the Boards of Directors of EKCO and ACQUIROR;

(b) by either ACQUIROR or EKCO if any Governmental Entity or court shall have issued a final and non-appealable Order, or taken any other action, in each case having the effect of permanently restraining, enjoining or otherwise prohibiting the acceptance for payment of, or payment for, EKCO Shares pursuant to the Offer or the Merger (which the party seeking to terminate this Agreement shall have used its reasonable best efforts to have lifted, rescinded, mitigated or reversed);

(c) by either ACQUIROR or EKCO if the Effective Time shall not have occurred on or before 120th day following the date hereof; PROVIDED that the right to terminate this Agreement under this Section 7.1(c) shall not be available to any party whose failure to fulfill any covenant, agreement or obligation under this Agreement has been the cause of or resulted in the failure of the Effective Time to occur on or before such date; and provided, further, that if the Offer or the Merger shall not have been consummated solely due to the waiting period (or any extension thereof) or approvals under the HSR Act or any applicable foreign competition laws not having expired or been terminated or received, then such date shall be extended to the 180th day following the date hereof;

(d) by ACQUIROR if, due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in ANNEX A hereto, Acquisition Subsidiary shall have, in accordance with the terms hereof (including any requirement to extend the Offer for any such failures or otherwise) (i) failed to commence the Offer as set forth in Section 1.1 of this Agreement, (ii) terminated the Offer without having accepted any EKCO Shares for payment thereunder, or (iii) failed to pay for the EKCO Shares validly tendered pursuant to the Offer in accordance with the terms thereof, unless such termination or failure to pay for EKCO Shares shall have been caused by or resulted from the failure of ACQUIROR or Acquisition Subsidiary to perform in any material respect any covenant or agreement of either of them contained in this Agreement or the material breach by ACQUIROR or Acquisition Subsidiary of any representation or warranty of either of them contained in this Agreement;

(e) by ACQUIROR (i) if, prior to the purchase of any EKCO Shares validly tendered pursuant to the Offer, the Board of Directors of EKCO shall have withdrawn, modified or amended in any manner adverse to ACQUIROR or Acquisition Subsidiary its approval or recommendation of this Agreement, the Offer or the Merger or shall have recommended another merger, consolidation or business combination involving, or acquisition of, EKCO or its assets or another tender offer for EKCO Shares or shall have failed to reconfirm its recommendation of this Agreement, the Offer or the Merger if so requested by ACQUIROR within 10 business days following such request or resolved to do any of the foregoing; or

(ii) if EKCO shall directly or indirectly through agents or representatives continue discussions or negotiations with any third party concerning any Acquisition Proposal or Superior Proposal for more than 15 business days after having first furnished information or commenced discussions or negotiations with such third party (whichever occurred earlier) with respect thereto; or

(iii) (A) if an Acquisition Proposal that is publicly disclosed shall have been commenced, publicly proposed or communicated to EKCO which contains a proposal as to price (without regard to the specificity of such price proposal) and (B) EKCO shall not have rejected such Acquisition Proposal within 15 business days after the earlier of its receipt thereof, and the date its existence first becomes publicly disclosed; or

(iv) if EKCO shall have amended, modified or waived any provision of the Rights Agreement or shall have taken any other action to redeem the Rights or render the Rights inapplicable to any transaction other than the transactions to be effected pursuant to this Agreement and, as a result, a person shall have acquired greater than 15% of the outstanding EKCO Common Stock;

(f) by EKCO if, prior to the purchase of EKCO Shares pursuant to the Offer, upon three business days prior notice to ACQUIROR in order to accept a Superior Proposal; provided that, prior to terminating this Agreement, (A) EKCO shall have fully complied with its obligations under Section 5.2, (B) such notice shall specify all material terms, conditions and other information with respect thereto, (C) prior to any such termination, EKCO shall, if requested by ACQUIROR in connection with any revised proposal ACQUIROR might make, negotiate in good faith for such three business day period with ACQUIROR, and such third party proposal remains a Superior Proposal after taking into account any revised proposal by ACQUIROR during such three business day period and (D) immediately following such termination, EKCO enters into definitive and binding documentation with respect to such Superior Proposal; and PROVIDED, FURTHER, that it shall be a condition to termination pursuant to this Section 7.1(f) that EKCO shall have made the payment of the fees and expenses to ACQUIROR required by 7.2(b);

(g) by EKCO if, due to an occurrence or circumstance that would result in a failure to satisfy any condition set forth in ANNEX A hereto, Acquisition Subsidiary shall have (i) failed to commence the Offer as set forth in Section 1.1 of this Agreement, (ii) terminated the Offer without having accepted any EKCO Shares for payment, or (iii) failed to pay for the EKCO Shares validly tendered pursuant to the Offer in accordance with the terms thereof, unless such termination or failure to pay for EKCO Shares shall have been caused by or resulted from the failure of EKCO to perform in any material respect any covenant or agreement of it contained in this Agreement or the failure of the condition set forth in paragraph (d) of ANNEX A hereto; or

(h) by EKCO if any representation or warranty of ACQUIROR or Acquisition Subsidiary in this Agreement shall not be true and correct in any material respect on the date of this Agreement, or ACQUIROR or Acquisition Subsidiary shall have failed to perform in any material respect any obligation or to comply in any material respect with any agreement or covenant of ACQUIROR or Acquisition Subsidiary to be performed or complied with by it under this Agreement; provided that such breach or failure to perform (if curable) has not been cured within thirty (30) calendar days after notice to ACQUIROR, and provided further that EKCO is not in material breach of this Agreement.

7.2. EFFECT OF TERMINATION.

(a) In the event of termination of this Agreement pursuant to this Article VII, this Agreement, except for the provisions of Section 5.4, Section 5.7, this Section 7.2 and Article VIII, shall forthwith become void and have no further effect, without any liability on the part of any party or its affiliates, directors, officers or stockholders. Nothing in this Section 7.2 or in Section 8.4 shall relieve any party to this Agreement of liability for breach of this Agreement on or prior to the date of termination.

(b) If (i) this Agreement is terminated (A) by EKCO pursuant to Section 7.1(f) hereof or (B) by ACQUIROR pursuant to 7.l(e)(i), (ii), (iii) or (iv) hereof;

(ii) (A) this Agreement is terminated pursuant to Section 7.1(c) or 7.1(d) (other than in the event that ACQUIROR is in material breach of this Agreement at the time of such termination), (B) after the execution and delivery of this Agreement but prior to such termination either (I) EKCO (or its agents) breaches its obligations under Section 5.2 or (II) a Third Party makes a proposal either publicly or which becomes public prior to such termination with respect to any Acquisition Proposal and (C) within nine months after such termination, either (I) a Third Party Acquisition occurs or (II) EKCO enters into an agreement with respect to a Third Party Acquisition which is later consummated (PROVIDED that if clause (B) (I) above does not apply, the Third Party Acquisition referred to in this clause (C) must be with the same person (or an affiliate thereof) that made the Acquisition Proposal referred to in clause (B)(II) above);

then EKCO shall pay to ACQUIROR, within one business day following the execution and delivery of such agreement or such occurrence (which in the case of a termination contemplated by Section 7.1(e) shall be the date of such termination), as the case may be, or no later than concurrently with any termination contemplated by Section 7.1(f) above, a fee, in cash and immediately available funds, of $6 million (the "Termination Fee"); provided, however, that EKCO in no event shall be obligated to pay more than one Termination Fee with respect to all such agreements and occurrences and such termination.

In addition, EKCO shall from time to time after any termination in connection with which a Termination Fee shall be or become payable, pay to ACQUIROR, within one business day after its receipt of a written statement therefor, an amount equal to the Expenses set forth in such statement, provided that the "Expenses" (excluding Collection Expenses) shall not exceed $1 million. In addition, EKCO shall pay from time to time within one business day after receipt of a written statement therefor all out-of-pocket expenses actually incurred by ACQUIROR in connection with any litigation or other proceedings to collect the Termination Fee and/or Expenses ("Collection Expenses"), provided that ACQUIROR shall have prevailed in such litigation or other proceedings.

"Expenses" means all reasonable out-of-pocket fees and expenses actually incurred by ACQUIROR or Acquisition Subsidiary, whether before or after the execution and delivery of this Agreement, in connection with the transactions contemplated by this Agreement, including the Offer and the Merger, including without limitation reasonable fees and expenses payable to all banks, investment banking firms and other financial institutions, including any of the foregoing acting as depositary or dealer-manager for the Offer, and their respective agents and counsel, and all reasonable fees and expenses of counsel, accountants, experts and consultants to ACQUIROR or Acquisition Subsidiary.

"Third Party" means any person other than ACQUIROR, Acquisition Subsidiary or any affiliate thereof.

"Third Party Acquisition" means the occurrence of any of the following events: (i) the acquisition of EKCO by merger, tender offer, exchange offer or otherwise by any Third Party; (ii) the acquisition by a Third Party of 50% or more of the assets of EKCO and the EKCO Subsidiaries, taken as a whole; (iii) the acquisition by a Third Party of more than 50% of the outstanding EKCO shares; (iv) the adoption by EKCO of a plan of liquidation or the declaration or payment of an extraordinary dividend; or (v) the repurchase by EKCO of outstanding EKCO shares in connection with which a Third Party becomes the owner of 50% or more of the outstanding EKCO Shares.

(c) EKCO acknowledges that the provisions contained in this subsection 7.2(b) are an integral part of the transactions contemplated by this Agreement, and that, without these provisions, ACQUIROR would not enter into this Agreement.

(d) Subject to Section 7.2 (a), payment of the Termination Fee, Expenses and Collection Expenses, if any, shall be ACQUIROR's and Acquisition Subsidiary's exclusive remedy for any termination of this Agreement pursuant to Section 7.1 and neither ACQUIROR nor Acquisition Subsidiary shall have any further recourse against EKCO for, or as a result of, such termination.

7.3. PROCEDURE FOR TERMINATION. In the event of termination and abandonment of the Offer and the Merger by the ACQUIROR or EKCO pursuant to this Article VII, written notice thereof shall forthwith be given to the other.

ARTICLE VIII

MISCELLANEOUS

8.1. EXPENSES. Subject to Section 7.2, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expense, except that expenses incurred in connection with printing and mailing the Proxy Statement shall be shared equally by EKCO and ACQUIROR. ACQUIROR acknowledges and agrees that EKCO is obligated and will become further obligated for fees and expenses (including fees and expenses of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., its counsel, KPMG Peat Marwick LLP, its independent accountants, and Lehman Brothers, its financial advisor) incurred by it in connection with the Merger and the transactions contemplated hereby. EKCO represents and warrants that the amount of such fees will be no more than $4.0 million. It is understood and agreed that certain of such fees and expenses may be paid by EKCO prior to the execution of this Agreement, and ACQUIROR agrees to refrain from taking any action which would prevent or delay the payment of reasonable fees and expenses by EKCO. Further, ACQUIROR agrees to take, and cause Acquisition Subsidiary to take, all action necessary to cause the Surviving Corporation to pay promptly any of the foregoing reasonable fees and expenses incurred, but not paid, by EKCO prior to the Effective Time.

8.2. AMENDMENT. This Agreement may be amended by the parties at any time before or after any required approval of matters presented in connection with the Merger by the holders of EKCO Shares; PROVIDED, HOWEVER, that after any such approval, if required, there shall be made no amendment that pursuant to Section 251(d) of the DGCL requires further approval by such stockholders without the further

approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties.

8.3. EXTENSION; WAIVER. At any time prior to the Effective Time, the parties may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) waive any inaccuracies in the representations and warranties contained in this Agreement or in any document delivered pursuant to this Agreement, or (c) waive compliance with any of the agreements or conditions contained in this Agreement. Any agreement on the part of a party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

8.4. NONSURVIVAL OF REPRESENTATIONS AND WARRANTIES. None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time or the termination of this Agreement.

8.5. NOTICES. Any communications required or desired to be given hereunder shall be deemed to have been properly given if sent by hand delivery or by facsimile and overnight courier to the parties hereto at the following addresses, or at such other address as either party may advise the other in writing from time to time:

If to ACQUIROR:

CCPC Acquisition Corp.
One Little Falls Centre
2711 Centerville Rd.
Suite 202
Wilmington, DE 19808
Attention: Phyllis R. Yeatman
Facsimile: 302-633-7808

with copies to:

Borden, Inc.
180 East Broad Street
Columbus, Ohio 43215
Attention: William F. Stoll, Jr., Esq.
Senior Vice President and General Counsel
Facsimile: 614-627-8374

and

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, New York 10017
Attention: David J. Sorkin, Esq.
Facsimile: 212-455-2502

If to EKCO:

EKCO Group, Inc.
98 Spit Brook Road, Suite 102
Nashua, NH 03062
Attention: Malcolm L. Sherman
Chairman and Chief Executive Officer
Facsimile: (603) 888-1427

with a copy to:

Mintz, Levin, Cohn, Ferris
Glovsky and Popeo, P.C.
One Financial Center
Boston, Massachusetts 02110
Attention: Peter S. Lawrence, Esq.
Facsimile: (617) 542-2241

All such communications shall be deemed to have been delivered on the date of hand delivery or on the next business day following the deposit of such communications with the overnight courier.

8.6 GOVERNING LAW/CONSENT TO JURISDICTION. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT REGARD TO THE CONFLICT OF LAWS RULES OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION THAT WOULD CALL FOR THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE. EACH PARTY HERETO HEREBY IRREVOCABLY CONSENTS, FOR ITSELF AND ITS LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE FOR ALL PURPOSES IN CONNECTION WITH ANY ACTION OR PROCEEDING WHICH ARISES FROM OR RELATES TO THIS AGREEMENT, AND HEREBY WAIVES ANY RIGHTS IT MAY HAVE TO PERSONAL SERVICE OF SUMMONS, COMPLAINT, OR OTHER PROCESS IN CONNECTION THEREWITH, AND AGREES THAT SERVICE MAY BE MADE ON SUCH PARTY AND SENT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 8.5 HEREOF.

8.7 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY OR DISPUTE THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH SUCH PARTY HAS

BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS OF THIS SECTION 8.7.

8.8 CERTAIN DEFINITIONS. As used in this Agreement:

(a) "GOVERNMENTAL ENTITY" shall mean any United States federal, state or local or any non-United States governmental, administrative or regulatory authority, commission, body, agency, court, tribunal, arbitrator or other authority.

(b) "INCLUDING". The word "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific terms or matters as provided immediately following the word "including" or to similar items or matters, whether or not non-limiting language (such as "without limitation", "but not limited to", or words of similar import) is used with reference to the word "including" or the similar items or matters, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general statement, term or matter.

(c) "KNOWLEDGE". "To the knowledge", "to the best knowledge, information and belief", or any similar phrase shall be deemed to refer to the conscious awareness after reasonable inquiry of any of the Chairman of the Board and Chief Executive Officer, the Chief Financial Officer of EKCO, the General Counsel of EKCO or the officer of EKCO in charge of tax, environmental matters, employee benefits or information technology of the fact referred to.

8.9 CAPTIONS. The captions or headings in this Agreement are made for convenience and general reference only and shall not be construed to describe, define or limit the scope or intent of the provisions of this Agreement.

8.10 INTEGRATION OF SCHEDULES. The Disclosure Schedule attached to this Agreement is an integral part of this Agreement as if fully set forth herein, and all statements or other information appearing in any section of the Disclosure Schedule shall be deemed disclosed for all sections of the Disclosure Schedule of which the relevance is readily apparent and not only in connection with the specific representation in which they are explicitly referenced.

8.11 ENTIRE AGREEMENT; ASSIGNMENT. This Agreement, together with the Exhibits and Schedules hereto, (i) constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, other than the Confidentiality Agreement (which shall survive the execution and delivery of this Agreement), among the parties or any of them with respect to the subject matter hereof and (ii) shall not be assigned by operation of law or otherwise, provided, that ACQUIROR may assign its rights and obligations or those of Acquisition Subsidiary to any subsidiary, 80% or more of the capital stock of which is directly or indirectly owned by ACQUIROR or Borden, Inc., a New Jersey corporation, and provided further that each such assignee assumes such obligations and provided further that in no event shall such assignment relieve ACQUIROR or Acquisition Subsidiary, as the case may be, of its obligations hereunder if such assignee does not perform such obligations.

8.12 PARTIES IN INTEREST. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors and assigns. Nothing in this Agreement, expressed or implied is intended to or shall confer upon any other person any rights, benefit or remedies of any nature

whatsoever under or by reason of this Agreement; provided, however, that the provisions of Section 5.9 shall inure to the benefit of and be enforceable by the Indemnified Parties.

8.13 ENFORCEMENT OF THE AGREEMENT. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties and other persons entitled to enforce this Agreement pursuant to this Agreement shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any federal or state court located in Delaware (as to which the parties hereby irrevocably agree to submit to jurisdiction for the purposes of such action), this being in addition to any other remedy to which they are entitled at law or in equity.

8.14 VALIDITY. If any provision of this Agreement, or the application thereof to any person or circumstance, is held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to such end, the provisions of this Agreement are agreed to be severable.

8.15 COUNTERPARTS. This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall, together, constitute and be one and the same instrument.

8.16 NO RULE OF CONSTRUCTION. The parties acknowledge that this Agreement was initially prepared by EKCO, and that all parties have read and negotiated the language used in this Agreement. The parties agree that, because all parties participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

8.17 PERFORMANCE BY ACQUISITION SUBSIDIARY. ACQUIROR hereby agrees to cause Acquisition Subsidiary to comply with and perform its obligations hereunder and to cause Acquisition Subsidiary to consummate the Offer, the Merger and all other transaction as contemplated herein.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, ACQUIROR, Acquisition Subsidiary and EKCO have caused this AGREEMENT AND PLAN OF MERGER to be executed by their respective duly authorized officers, and have caused their respective corporate seals to be hereunto affixed, all as of the day and year first above written.

EKCO GROUP, INC.

By: /S/ MALCOLM L. SHERMAN

Malcolm L. Sherman
Title Chairman and Chief Executive Officer

CCPC ACQUISITION CORP.

By: /S/ PHYLLIS R. YEATMAN

Phyllis R. Yeatman
Title President

EG TWO ACQUISITION CO.

By: /S/ THOMAS V. BARR

Thomas V. Barr
Title Vice President

ANNEX A

CONDITIONS TO THE OFFER

CAPITALIZED TERMS USED HEREIN HAVE THE MEANINGS SET FORTH IN THE AGREEMENT AND PLAN OF MERGER TO WHICH THIS ANNEX A IS ATTACHED.

Notwithstanding any other provision of the Offer, Acquisition Subsidiary shall not be required to accept for payment or, subject to the applicable rules and regulations of the SEC, including Rule 14e-1(c) under the Exchange Act, pay for any EKCO Shares tendered pursuant to the Offer, and may terminate or amend the Offer in a manner consistent with the terms of the Agreement and may postpone the acceptance for payment of or the payment for any EKCO Shares tendered in a manner consistent with the terms of the Agreement if (i) immediately prior to the expiration of the Offer (as extended in accordance with the Offer), the HSR/Foreign Antitrust Condition shall not have been satisfied, (ii) immediately prior to the expiration of the Offer (as extended in accordance with the Offer), the Minimum Condition shall not have been satisfied, or (iii) at any time prior to the acceptance for payment of EKCO Shares, any of the following conditions exist:

(a) there shall be any statute, rule or regulation, or any decree, order or injunction, promulgated, enacted, entered or enforced by any Governmental Entity which would (i) make the acquisition by Acquisition Subsidiary of a material portion of the EKCO Shares illegal, or prohibit or materially limit the ownership or operation by EKCO or any of the EKCO Subsidiaries, or by ACQUIROR, Acquisition Subsidiary or any of ACQUIROR's subsidiaries of all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries, or compelling Acquisition Subsidiary, ACQUIROR or any of ACQUIROR's subsidiaries to dispose of or hold separate all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries, as a result of the transactions contemplated by the Offer or this Agreement, or (ii) otherwise prohibit or restrict the making or consummation of the Offer or the Merger (each a "Governmental Restriction"); PROVIDED, HOWEVER, that in order to invoke this condition, ACQUIROR and Acquisition Subsidiary shall have used their reasonable best efforts to prevent such Governmental Restriction or to lift, rescind, mitigate, reverse, cause to expire, terminate or ameliorate the effects thereof;

(b) there shall be any action or proceeding brought or any imminent action or proceeding meaningfully threatened by any Governmental Entity that seeks an Order having any effect set forth in clause (a) above;

(c) the Board of Directors of EKCO shall have withdrawn, modified or amended in a manner that is materially adverse to ACQUIROR or Acquisition Subsidiary (including by way of any amendment to the Schedule14D-9) its recommendation of the Offer, the Merger or this Agreement;

(d) EKCO shall have breached or failed to perform in any material respect any of its material covenants or agreements (other than covenants or agreements relating in any way to the Debt Offer) under the Agreement or EKCO shall have willfully breached or willfully failed to perform in any material respect any of the covenants or agreements relating in any way to the Debt Offer;

(e) any of the representations and warranties of EKCO set forth in the Agreement which are qualified as to Material Adverse Effect shall not be true and correct when made and as of the expiration of the Offer, or any of the other representations and warranties of EKCO set forth in the Agreement shall

not be true and correct when made and as of the expiration of the Offer, which failure would have a Material Adverse Effect (except in each case in the case of representations and warranties of EKCO which address matters only as of a particular date, which need only be true and correct as aforesaid as of such date);

(f) this Agreement shall have been terminated in accordance with its terms;

(g) ACQUIROR, Acquisition Subsidiary and EKCO shall have agreed in writing that Acquisition Subsidiary shall terminate the Offer or postpone the acceptance for payment of or the payment for EKCO Shares thereunder;

(h) there shall have occurred (i) any general suspension of, or limitation on prices for trading in securities on the New York Stock Exchange, American Stock Exchange, any national securities exchange or on the Nasdaq National Market System for a period in excess of 24 hours (excluding any suspension or limit resulting solely from physical damage or interference with such exchanges not related to market conditions), (ii) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, or (iii) a material adverse change in the general financial, bank or capital markets, including, without limitation, a decline of a least 30% in either the Dow Jones Average of Industrial Stocks or the Standard & Poor's 500 index from the date hereof; or

(i) a Distribution Date or a Stock Acquisition Date (as each such term is defined in the Rights Agreement) shall have occurred pursuant to the Rights Agreement;

which makes it inadvisable, as determined by Acquisition Subsidiary in good faith, to proceed with the Offer or with such acceptance for payment or payment.

The foregoing conditions are for the sole benefit of ACQUIROR and Acquisition Subsidiary and may be asserted by ACQUIROR or Acquisition Subsidiary regardless of the circumstances giving rise to any such condition or may be waived by ACQUIROR or Acquisition Subsidiary in whole or in part at any time and from time to time in their sole discretion. The failure by ACQUIROR or Acquisition Subsidiary at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time.

ANNEX B

OPTION ELECTION

The undersigned holder of an option or options (the "Options") to purchase [_____] shares (the "Option Shares") of common stock of EKCO Group, Inc. ("EKCO"), par value $0.01 per share ("Common Stock"), hereby agrees that, immediately prior to the consummation of the Offer, and contingent upon the consummation of the Offer, each outstanding Option shall be deemed to be fully exercisable (whether or not otherwise exercisable) and shall be cancelled as of the date thereof, in exchange for a cash payment from Acquisition Subsidiary equal to the aggregate amount that the undersigned would receive if each of the Option Shares had been tendered to Acquisition Subsidiary pursuant to the terms of the Offer, less the payment of the exercise price of each Option Share and all withholding taxes attributable to such payment (the "Option Payment").

The undersigned agrees that the exercise price (the "Exercise Price") of each Option Share shall be deemed to be paid with the proceeds of an interest free advance from EKCO (the "Advance"). The Advance shall be deemed to be repaid in full on behalf of the undersigned by Acquisition Subsidiary from a portion of the consideration due the undersigned pursuant to this Option Election, which shall be paid as soon as practicable after the consummation of the Offer but in no event more than 10 business days after the consummation of the Offer. Simultaneously with such deemed repayment of the Advance, the undersigned shall be entitled to receive from Acquisition Subsidiary a cash payment (the "Option Payment") equal to the aggregate amount that the undersigned would receive if each of the Option Shares had been tendered to Acquistion Subsidiary pursuant to the terms of the Offer, less the demand repayment of the exercise price of each Option Share and all withholding taxes attributable to such Option Payment.

The undersigned acknowledges that he or she has been advised that (i) Options for which a valid Option Election has been executed and delivered to EKCO that are not already vested will become vested immediately prior to the expiration of the Offer (but contingent upon the purchase by Acquisition Subsidiary of shares of Common Stock pursuant to the Offer), and (ii) upon the receipt by the undersigned of the Option Payment pursuant to this Election, the undersigned shall have no further rights under any Options. By signing this Option Election, the undersigned is deemed to have agreed to the cancellation of his or her Options. Pursuant to this Option Election, the undersigned shall have no further rights under such Option.

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement and Plan of Merger, dated as of August ___, 1999, by and among EKCO, INC., ACQUIROR and Acquisition Subsidiary.

Print Name: _____

Date: _____

ANNEX C

RESTRICTED STOCK ELECTION

The undersigned holder of [_____] shares ("Restricted Shares") of common stock of EKCO, Inc. ("EKCO"), par value $0.01 per share ("Common Stock"), which were granted pursuant to the EKCO 1984 Restricted Stock Plan or the EKCO 1985 Restricted Stock Plan (the "Plans") and which shares are not fully vested hereby agrees that, immediately prior to the purchase of shares of Common Stock by Acquisition Subsidiary in its pending tender offer for any and all outstanding shares of Common Stock (the "Offer"), and contingent upon such purchase, the undersigned shall be deemed to have tendered each of the Restricted Shares (regardless of the fact that the Restricted Shares were not previously vested) to Acquisition Subsidiary pursuant to the Offer. As soon as practicable after the consummation of the Offer but in no event more than 10 business days after the consummation of the Offer, the undersigned shall be entitled to receive from Acquisition Subsidiary with respect to each Restricted Share an amount equal to the Per Share Amount pursuant to the Offer.

The undersigned acknowledges that he or she has been advised that (i) Restricted Shares for which a valid Restricted Stock Election has been executed and delivered to EKCO will become vested immediately prior to expiration of the Offer (but contingent upon the purchase by Acquisition Subsidiary of shares of Common Stock pursuant to the Offer), (ii) that the Restricted Shares will be deemed to be tendered in the Offer, and (iii) upon the purchase of Restricted Shares pursuant to the Offer, the undersigned shall have no further rights under the Restricted Shares.

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement and Plan of Merger, dated as of August 4, 1999, by and among EKCO GROUP, INC., ACQUIROR and Acquisition Subsidiary.

Print Name: _____
Date: _____

ANNEX D

INDEX OF DEFINED TERMS

BORDEN, INC.

180 East Broad Street
Columbus, Ohio 43215

Borden, Inc. a New Jersey corporation, hereby guarantees the obligations of CCPC Acquisition Corp. and EG Two Acquisition Co. (and any of their permitted assignees or transferees pursuant to Section 1.1(d)(v) of the Agreement (as defined below), or any of their successors or other permitted assigns) under Articles I and II of the attached Agreement and Plan of Merger, dated August 5, 1999, between CCPC Acquisition Corp., EG Two Acquisition Co. and EKCO Group, Inc. (the "Agreement").

Dated as of August 5, 1999

Borden, Inc.

By:/s/ WILLIAM F. STOLL, JR.

Name: William F. Stoll, Jr.
Title: Senior Vice President

AMENDMENT NO. 1 TO AGREEMENT AND PLAN OF MERGER

This Amendment No. 1 (the "Amendment") to the Agreement and Plan of Merger (the "Agreement") by and among CCPC Acquisition Corp., a Delaware corporation ("ACQUIROR"), EG Two Acquisition Co., a Delaware corporation ("Acquisition Subsidiary"), and ECKO Group, Inc., a Delaware corporation ("ECKO"), dated as of August 5, 1999, is made and entered into as of the 10th day of August, 1999 by and among ACQUIROR, Acquisition Subsidiary, and ECKO. Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Agreement.

WHEREAS, ACQUIROR, Acquisition Subsidiary and ECKO are parties to the Agreement and wish to clarify and amend certain of the provisions of the Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and in the Agreement, the parties hereto, intending to be legally bound, hereby agree as follows:

1. The last sentence of Section 1.3(a) of the Agreement is hereby amended and restated to read as follows:

Notwithstanding the foregoing, following the election or appointment of Acquisition Subsidiary's designees to the Board of Directors of EKCO pursuant to this Section 1.3 and until the Effective Time, (i) Acquisition Subsidiary shall only be entitled to designate up to that number of directors that is one less than the total number of directors on the EKCO Board, regardless of the total number of such directors, and the Board of Directors of EKCO shall have at least one director who was a director on August 5, 1999 (provided that EKCO will cause there to be at least three directors at all times prior to the Effective Time), (ii) any amendment of this Agreement adverse to EKCO, its stockholders, holders of options, holders of warrants, directors, officers or employees, any termination of this Agreement by EKCO, any amendment of the indemnification or exculpation provisions of the certificate of incorporation or by-laws of EKCO in effect on August 5, 1999, any extension of time for the performance of ACQUIROR's or Acquisition Subsidiary's obligations hereunder, any waiver of any condition for the benefit of EKCO or any of the obligations or other acts of ACQUIROR or Acquisition Subsidiary, or any waiver or exercise of EKCO's or its stockholder's rights, remedies or benefits hereunder shall require the approval (in addition to the approval of the Board of Directors as a whole) of a majority of the directors, or of the director, of EKCO then in office who was or were director(s) on August 5, 1999, and (iii) ACQUIROR will cause Acquisition Subsidiary not to, and Acquisition Subsidiary will not take any action to cause its designees to constitute a greater number of directors than provided in this Agreement.

2. The third sentence of Section 5.5 of the Agreement is hereby amended and restated as follows:

For purposes of this Section 5.5, Section 5.9, Section 6.1(a), Section 7.1(b) and condition (a) set forth in ANNEX A, "reasonable best efforts" of ACQUIROR shall not require ACQUIROR to agree to any prohibition, limitation, or other requirement which would prohibit or materially limit the ownership or operation by EKCO or any of the EKCO Subsidiaries, or by ACQUIROR, Acquisition Subsidiary or any of ACQUIROR's subsidiaries of all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries, or compel Acquisition Subsidiary, ACQUIROR or any of ACQUIROR's subsidiaries to dispose of or hold separate all or any material portion of the business or assets of EKCO or any of the EKCO Subsidiaries or ACQUIROR or any of its material subsidiaries.

3. The first sentence of Section 5.8 of the Agreement is amended and restated as follows:

Until the six year anniversary date of the Effective Time, the ACQUIROR and Acquisition Subsidiary agree that all rights to indemnification or exculpation now existing in favor of the present and former officers, directors, employees and other indemnified parties (the "Indemnified Parties") of EKCO as provided in EKCO's Certificate of Incorporation or by-laws or otherwise in effect as of the date hereof shall survive the Merger and shall continue in full force and effect, and ACQUIROR shall cause the Surviving Corporation to, and the Surviving Corporation shall, keep in effect all such indemnification and exculpation provisions to the fullest extent permitted under applicable law, which provisions shall not be amended, repealed or otherwise modified for such six-year period after the Effective Time, except as required by applicable law or except to make changes permitted by applicable law that would enlarge the exculpation or rights of indemnification thereunder.

4. Section 5.9(d) of the Agreement is amended and restated as follows:

At or prior to consummation of the Debt Offer, ACQUIROR will provide to EKCO all necessary funds to purchase the Senior Notes pursuant to the Debt Offer. For the avoidance of doubt, consummation of the Offer shall be a condition to consummation of the Debt Offer.

5. Section 6.1(a) of the Agreement is hereby amended and restated as follows:

no Governmental Entity shall have issued an Order or injunction or shall have enacted or promulgated any statute, rule or regulation which would prohibit or restrict the consummation of the Merger; PROVIDED, HOWEVER, that if the foregoing has occurred, each party shall use its reasonable best efforts to lift, rescind, cause to expire, terminate or ameliorate the effects of any such Order or injunction or statute, rule or regulation;

6. Section 7.1(c) of the Agreement is hereby amended and restated as follows:

(c) by either ACQUIROR or EKCO if the consummation of the Offer shall not have occurred on or before 120th day following the date hereof; PROVIDED that the right to terminate this Agreement under this Section 7.1(c) shall not be available to any party whose

failure to fulfill any covenant, agreement or obligation under this Agreement has been the cause of or resulted in the failure of the consummation of the Offer to occur on or before such date; and provided, further, that if the Offer or the Merger shall not have been consummated solely due to the waiting period (or any extension thereof) or approvals under the HSR Act or any applicable foreign competition laws not having expired or been terminated or received, then such date shall be extended to the 180th day following the date hereof;

7. Section 7.2(a) of the Agreement is hereby amended and restated as follows:

In the event of termination of this Agreement pursuant to this Article VII, this Agreement, except for the provisions of Section 5.4(b), Section 5.7, this Section 7.2 and Article VIII, and, provided that the Offer shall have been consummated prior to termination, Section 5.8 (which shall survive for a period of six years from the date of termination) and Section 5.11 (which, as to Sections 5.11(a) and 5.11(b), shall survive for one year after termination and, as to Sections 5.11(c) and 5.11(d), shall survive termination), shall forthwith become void and have no further effect, without liability on the part of any party or its affiliates, directors, officers or stockholders. Nothing in this Section 7.2 or Section 8.4 shall relieve any party to this Agreement of liability for breach of this Agreement on or prior to the date of termination.

8. Section 8.4 of the Agreement is amended and restated as follows:

None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time or the termination of this Agreement; PROVIDED, HOWEVER, that this Section 8.4 shall in no way limit the obligations of the parties under any covenant or agreement contained herein or therein that by its terms applies or is to be performed in whole or in part after the Effective Time, including Article II, and Sections 5.8, 5.11 and 5.12, which shall survive the Effective Time.

9. Section 8.12 of the Agreement is hereby amended deleting the term "5.9" and inserting the term "5.8" in place thereof.

10. The last paragraph of the Agreement immediately preceding the signature blocks thereof is hereby amended by deleting the clause ", and have caused their respective corporate seals to be hereunto affixed," from such paragraph.

11. Except as expressly modified hereby, the Agreement is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, ACQUIROR, Acquisition Subsidiary and EKCO have duly executed this Amendment or caused this Amendment to be duly executed by their respective duly authorized officers as of the day and year first written above.

CCPC ACQUISITION CORP.

By: /s/ Malcolm L. Sherman

Malcolm L. Sherman
Title: Chairman and Chief Executive Officer

EG TWO ACQUISITION CO.

By: /s/ Phylllis R. Yeatman

Phylllis R. Yeatman
Title: President

EKCO GROUP, INC.

By: /s/ Thomas V. Barr

Thomas V. Barr
Title: Vice President