

STERLING CHEMICALS INC

Form 8-K

September 24, 2010

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Item 1.01. Entry into a Material Definitive Agreement.

SIGNATURE

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Item 1.01. Entry into a Material Definitive Agreement.

On September 20, 2010, Sterling Chemicals, Inc. (Sterling) entered into an Amendment to its Revolving Line of Credit for letters of credit (the LC Facility) with JP Morgan Chase Bank, N.A. (Chase), which is effective September 10, 2010. The amendment extended the term of the LC Facility by three months. In connection with the amendment to the LC Facility, Sterling also entered into a Security Agreement (the Security Agreement) and a Pledge Agreement (the Pledge Agreement) on September 20, 2010, each dated September 13, 2010, with Chase. Pursuant to the Security Agreement, Sterling agreed, under and subject to the terms and conditions of the Security Agreement, to grant first-priority liens in favor of Chase on a substantial portion of its assets to secure Sterling s obligations under the LC Facility, primarily consisting of its accounts receivable and inventory. Under the Pledge Agreement, Sterling agreed, under and subject to the terms and conditions of the Pledge Agreement, to pledge to Chase its interest in, among other things, all restricted subsidiaries under Sterling s indenture, all promissory notes under \$1,000,000 issued to Sterling (excluding promissory notes arising from a disposition of certain collateral under the indenture) and all dividends, distributions and other payments with respect to any other pledged property.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 24, 2010

STERLING CHEMICALS, INC.

By: /s/ David J. Collins
David J. Collins
Senior Vice President and Chief
Financial Officer