

SHANLEY & FISHER

A PROFESSIONAL CORPORATION

COUNSELORS AT LAW
131 MADISON AVENUE

MORRISTOWN, NEW JERSEY 07962-1979

(201) 285-1000

TELECOPIER 201-540-8819

SOMERVILLE OFFICE

(201) 685-1100

NEW YORK OFFICE

(212) 321-812

PAUL G. NITTOLO
HENRY G. FERRAIOLI
ROBERT A. BOUTILLIER
GLENN S. PANTEL
WALTER J. FLEISCHER, JR.
LYDIA C. STEFANOWICZ
SUSAN M. SHARKO
KEVIN M. KILCULLEN
STEPHEN R. LONG
MARY E. TRACEY
BRIAN F. MCDONOUGH
JAMES M. ALTIERI
PATRICK M. STANTON
RENATE A. COOMBS
ANDREW V. BALLANTINE
RICHARD D. PRENTICE

BERNARD M. SHANLEY
HAROLD H. FISHER
ALVIN C. MARTIN
MICHAEL J. FAIGEN
LOUIS L. D'ARMINIO
ELIZABETH C. FLANAGAN
FREDERICK A. NICOLETTI
OF COUNSEL
*N.Y. BAR ONLY

JOANNE F. MEISLER
T. KEVIN SHEEHY
THEODORE S. SMITH
STEPHANIE C. ROSEN
PATRICK M. CALLAHAN
ROBERT M. LEONARD
FRANCIS B. SHEEHAN
MICHAEL OSTERMAN
MICHAEL O. ADELMAN
RICHARD C. GOTTSO
DIANE CAMPBELL PAYNE
JOAN S. ANTOKOL
EMILY A. SCHULTZ
WILLIAM D. SANDERS
CHARLES D. DONOHUE, JR.*
ELIZABETH A. O'BRIEN
PATRICK E. HOBBS
PETER O. HUGHES
PHILIP M. MOYNIHAN
JONATHAN R. LAGARENNE
DANIEL M. CURZIO
JUSTIN H. MCCARTHY II
GARY M. BLYN
JAMES P. MULLEN
SANDRA D. WILLIAMS
BARBARA A. REDMOND
SANDRA L. BOGRAD
STEPHEN W. BIALKOWSKI
JOAN M. NERI
THOMAS M. MURPHY
LISA M. FITTIPALDI
HARRY D. MCENROE

BRUCE L. SHAPIRO
ANTOINETTE BENNETT
MARGERY F. NATHANSON
MICHAELA O'BRIEN
BETH R. HALET
KATHRYN M. DECKER
ROBERT K. MALONE
KENNETH J. WILBUR
STEVEN I. HONIG
JOSH N. BENNETT
ELIZABETH S. SORIANO
KEVIN M. HAAS
ARTHUR P. HAVIGHORST II
MICHAEL E. HELMER
DONNA A. NADEAU
MICHAEL J. NITA
BRENDAN W. NOLAN
SHEILA M. NUGENT
PHILIP J. SULLIVAN
PATRICK J. DONEGAN
THOMAS A. ROBERTS
RUTH ANN WEIDEL
PHILLIP C. WISKOW
STEPHANIE WHITECOTTON*
SEAN T. MONAGHAN
ANTHONY B. PORTUESE
BRYAN E. BLOOM
SHEILA G. GRUBER
LISA D. TAYLOR
RONALD V. FIZZAROTTI*
DONALD S. MERINGER

FRANK L. BATE (1955-1989)
J. WILLIAM BARBA (1957-1987)
L. BRUCE PUFFER, JR.
WILLIAM G. BECKER, JR.
JOHN KANDRAVY
RAYMOND M. TIERNEY, JR.
ARTHUR R. SCHMAUDER
THOMAS F. CAMPION
JOHN J. FRANCIS, JR.
GERALD W. HULL, JR.
A. DENNIS TERRELL
JOHN J. DEGNAN
RICHARD E. BRENNAN
THOMAS J. ALWORTH
WILLIAM K. LEWIS
JEFFREY A. PECK
JAMES H. FREIS
MATTHEW FARLEY
DANIEL F. O'CONNELL
RICHARD A. LEVAO
RONALD GOULD
JOHN D. CLEMEN
CHARLES A. REID III
STEWART E. LAVEY

RECORDATION NO

11773-13
FILED 1025

OCT 13 1989 - 1 05 PM

INTERSTATE COMMERCE COMMISSION

October 12, 1989

VIA FEDERAL EXPRESS AIRBILL NO. 4576446184

Interstate Commerce Commission
12th Street & Constitution Ave. N.W. - Room 2303
Washington, D.C. 20423

Attn: Ms. Mildred Lee

Re: Hanlin Group, Inc.

9--286A010

Dear Mildred:

Enclosed for filing is an Amended and Restated Chattel Mortgage and Security Agreement dated October 6, 1989, between Allied-Signal Inc. and LCP Chemicals-West Virginia, Inc. The underlying Chattel Mortgage and Security Agreement was dated as of May 1, 1980 and was recorded with the Interstate Commerce Commission on May 8, 1980, Recordation No. 11773.

Also enclosed is our check in the amount of \$15.00 to cover the filing fee.

Kindly forward evidence of the recordation on the extra copy which is enclosed to the undersigned. If you have any questions, please call me at 201-285-1000 X404.

Sincerely,

SHANLEY & FISHER, P.C.



Mae S. Mahonchak
Manager, Non-Litigation
Legal Assistants

MSM:lmg

Enclosures

cc: Laurie M. Berk, Esq.

Otterbourg, Steindler, Houston & Rosen

Interstate Commerce Commission
Washington, D.C. 20423

10/13/89

OFFICE OF THE SECRETARY

Mae S. Mahonchak
Legal Assistant
Shanley & Fisher
131 Madison Avenue
Morristown, N.J. 07962-1979

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/13/89 at 1:05pm, and assigned recordation number(s). 11773, 11209-A, 13637-B, 11199-A & 11200-A

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

11773 B
RECORDATION NO. FILED 1425

OCT 13 1989 - 1 05 PM

INTERSTATE COMMERCE COMMISSION

AMENDED AND RESTATED
CHATTEL MORTGAGE AND
SECURITY AGREEMENT

Dated October 6, 1989

BETWEEN

ALLIED-SIGNAL INC.

AND

LCP CHEMICALS - WEST VIRGINIA, INC.

Originally filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 on May 8, 1980, Recordation No. 11773.

As amended and restated filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303 on _____, 1989, Recordation No. _____.

AMENDED AND RESTATED CHATTEL MORTGAGE AND SECURITY AGREEMENT

Table of Contents

	Page
1. Definitions	1
2. Security Interest	3
3. Representations and Warranties.	3
4. Use of Collateral	4
5. Insurance	5
6. Lost, Destroyed, Damaged or Confiscated Tank Cars	6
7. Identifying Legend and Removal of Other Identifying Marks of Allied Signal.	8
8. Default	10
9. Subordination of Rights	12
10. Additional Agreements	12
11. General Agreements.	12
12. Notices	16

This instrument, dated this 6th day of October 1989, amends and restates in its entirety that certain SECURITY AGREEMENT dated as of May 1, 1989 between LCP CHEMICALS - WEST VIRGINIA, INC., a Delaware corporation (hereinafter called the Borrower), and ALLIED-SIGNAL INC., a New York corporation (hereinafter called Allied-Signal) the successor by merger to Allied Chemical Corporation

The Borrower and Allied-Signal hereby agree as follows:

1. Definitions. as used herein, the following terms shall have the following meanings.

(a) "Collateral" shall mean (i) Intangibles, (ii) Fixed Assets, (iii) Tank Cars, (iv) Leases and (v) Proceeds.

(b) "Fixed Assets" shall mean all tangible personal property of the Borrower, including without limitation all equipment, machinery, fixtures, improvements, furniture and laboratory equipment, whether now owned or hereafter acquired, including any items substituted therefor as replacements, and any additions and accessions thereto, but excluding the Tank Cars.

(c) "Intangibles" shall mean all technology, patents, licenses and other know-how of the Borrower, trademarks and trade names, whether now owned or held or hereafter acquired, which are necessary or useful for the operation, use or disposition of the Collateral.

(d) "Leases" shall mean all leases and other agreements affecting the use or occupancy of the Collateral now or hereafter entered into by the Borrower as lessor and the right

to receive and apply the rents, issues and profits of the Collateral to the payment of the Liabilities.

(e) "Liability" or "Liabilities" shall mean all liabilities due or to become due to Allied-Signal hereunder or pursuant to the Note.

(f) "Note" shall mean a Ten-Year Zero Coupon Note in the principal amount of \$13 million due, if not sooner discharged, on December 31, 1998, executed and delivered on even date herewith by LCP Chemicals-West Virginia, Hanlin Group, Inc., LCP Transportation, Inc. and LCP Plastics North Carolina, Inc. as co-makers.

(g) "Proceeds" shall mean whatever is received when Collateral is sold, exchanged, leased, licensed, collected or otherwise disposed of, and value received as a consequence of possession of Collateral, including cash, negotiable instruments or other instruments for the payment of money, chattel paper, security agreements and insurance proceeds.

(h) "Security Interest" shall mean a lien or other interest in collateral which secures payment of Liabilities.

(i) "Take or Pay Contract" shall mean any contract for the purchase of materials, merchandise, supplies or other property, if such contract provides that payment for such materials, merchandise, supplies or other property shall be made regardless of whether delivery thereof is ever made or tendered.

(j) "Tank Cars" shall mean all railroad cars heretofore acquired by Borrower as described in Schedule A

attached hereto, including any cars substituted therefor as replacements and any improvements, additions and accessions thereto.

2. Security Interest. As security for the payment in full of the Liabilities, the Borrower hereby grants to Allied Signal a security interest in the Collateral.

3. Representations and Warranties. The Borrower represents, warrants and agrees that except as otherwise permitted by the terms of this Security Agreement:

(i) except for the Security Interest granted to Allied-Signal hereby, the Borrower is or will be the owner of all Collateral, whenever acquired or arising, free and clear of all liens and encumbrances, except as otherwise permitted pursuant to the Amended and Restated Deed of Trust (dated of even date herewith between the Borrower as Grantor and J.M. Chase, Jr. and Raymond R. Hyre as Trustees);

(ii) it will keep all Tank Cars and Fixed Assets in good condition subject to reasonable wear and tear and subject further to the right to dispose of worn out or obsolete items as provided in Section 6 and subject also to the provisions of Section 6 as to the Tank Cars and will not permit anything to be done that may materially impair the value thereof and will keep the same free from all levies, attachments, liens, encumbrances and charges of whatsoever kind, whether arising by judicial process or otherwise except as otherwise permissible pursuant to the above-said Amended and Restated Deed of Trust;

(iii) with respect to each Intangible which is a patent or a registered trademark, it has made and will continue to make all necessary filings in public offices;

(iv) with respect to each Intangible, it has taken and will continue to take all other necessary action to protect the validity of, and protect and defend the Borrower's right, title and interest in and to, such Intangible;

(v) it will comply with all governmental laws, regulations and requirements with respect to the Collateral, including but not limited to the Rules of Interchange of the Association of American Railroads (or of any successor thereto), with respect to the use, maintenance and operation of the Tank Cars. In case any equipment on any unit of the Tank Cars shall be required to be changed or replaced, or in case any additional or other such equipment is required to be installed on any such unit in order to comply with such laws, regulations, requirements and Rules, the Borrower agrees to make such changes, additions and replacements. The Borrower agrees to maintain each such unit in full compliance with such laws, regulations, requirements and Rules so long as it is subject to this Security Agreement;

(vi) Schedule A includes all railroad cars owned by Borrower on the date hereof.

4. Use of the Collateral. Unless a default, as defined in Section 8 hereof exists, the Borrower may use and deal with the Collateral in any lawful manner in the ordinary course

of its business; provided, however, that no such use or dealing shall be inconsistent with the terms or provisions hereof.

5. Insurance. Until this Security Agreement shall have been terminated, the Borrower shall obtain and maintain the following insurance at its expense:

(i) policies insuring the Collateral against risks in such amounts as are customary in businesses similarly situated to the Borrower's business;

(ii) comprehensive general liability insurance on the Tank Cars to the extent of \$10,000,000 per occurrence against liability for bodily injury and \$10,000,000 per occurrence against liability for property damage, including contractual liability insurance to the extent of such amounts and insurance against all risks of physical loss or damage in the amount of \$5,000,000 per occurrence with a loss payable clause in favor of Allied-Signal. The insurance referred to in this subsection (ii) may be written with such deductible amounts as the Borrower deems appropriate, but not in excess of the lesser of (x) \$50,000 or (y) deductible amounts applicable to insurance carried by the Borrower on other railroad rolling stock owned or operated by the Borrower.

The Borrower agrees that insurance required hereunder shall be primary insurance with respect to any insurance that may be carried by Allied-Signal. On the date hereof and annually

thereafter, the Borrower shall furnish to Allied-Signal the policy or policies of insurance required by this Section or a certificate of insurance certifying all the requirements set forth in this Section. Such policy or policies, or such certificate, shall contain a provision requiring 30 days' prior written notice to Allied-Signal in the event of material change in coverage or cancellation thereof. All such policies also shall provide that loss is payable to Allied-Signal for the account of Allied-Signal (which shall be included as an additional named insured) and the Borrower as their respective interests may appear.

6. Lost, Destroyed, Damaged or Confiscated Tank Cars; Removal and Disposal of Other Property.

(a) If any of the Tank Cars after becoming subject to this Security Agreement shall become lost, destroyed or damaged beyond repair, or if any governmental or quasi-governmental authority shall confiscate, requisition or take the title to any such unit (in this Section termed "Replaced Car"), the Borrower shall promptly notify Allied-Signal of such occurrence and shall repair the Replaced Car, or replace such unit within 90 days with a substituted unit having an estimated remaining useful life not less than the estimated remaining useful life of the Replaced Car, and the fair market value of the substituted unit shall be no less than the fair market value of the Replaced Car.

(b) The Borrower may not substitute pursuant to this Section 6, until, upon each substitution:

(i) the Borrower shall deliver to Allied-Signal a bill of sale for substituted units warranting that the Borrower has title thereto free and clear of all liens and encumbrances;

(ii) the Borrower shall deliver to Allied-Signal an opinion of the Borrower's counsel to the effect that the Borrower lawfully owns the substituted units and has good and valid title thereto, free of all liens and encumbrances;

(iii) the Borrower shall deliver to Allied-Signal a certificate, dated not earlier than 10 days prior to the date of such substitution and signed by the president or any vice president of the Borrower, setting forth the date of manufacture of each substituted unit, the original cost thereof, the current book value thereof, the unamortized cost of each Replaced Car and stating that the Borrower intends to use the substituted unit in its business and that the appropriate identifying legend, symbol and number have been placed on each substituted unit pursuant to Section 10 hereof;

(iv) the Borrower shall deliver to Allied-Signal on the date of substitution a certificate, dated such date and signed by the president or any vice president of the Borrower, to the effect that (a) the substitution has been duly authorized by the Borrower and (b) the substituted units comply with all applicable laws, ordinances, rules and regulations and may be used for the purposes contemplated by the Borrower; and

(v) the Borrower shall pay all taxes and expenses incurred upon or in connection with each such substitution.

(c) Without the prior written consent of Allied-Signal, the Borrower will not and will not permit any other entities or persons to abandon, scrap, salvage, remove, sell or otherwise dispose of any of the Collateral, provided that the Borrower may, if no Default (as hereinafter defined) at the time exists, remove and sell or otherwise dispose of, free of any right or claim of Allied-Signal, any Fixed Assets owned by it which have become worn out or obsolete and which have been replaced by other Fixed Assets subject to the lien of this Security Agreement, having a utility and value at least equal to that, at the time of removal, of the Fixed Assets so removed, provided, further, that the Borrower need not replace any Fixed Asset pursuant to the foregoing proviso if the aggregate cost (less depreciation) or fair market value, whichever is higher, of such Fixed Asset and of any other Fixed Assets previously abandoned, scrapped, salvaged, removed, sold or otherwise disposed of during the then current fiscal year of the Borrower which has not been replaced in reliance upon this further proviso does not exceed \$250,000.

7. Identifying Legend and Removal of Other Identifying Marks of Allied-Signal.

(a) After any unit of the Tank Cars becomes subject to this Security Agreement, the Borrower shall cause to be plainly, distinctly, permanently and conspicuously stencilled upon each side of each unit of the Tank Cars the following words and letters not less than one inch in height:

"OWNERSHIP SUBJECT TO A MORTGAGE AND SECURITY AGREEMENT
FILED UNDER THE INTERSTATE COMMERCE ACT, AS AMENDED"

If during the term of this Security Agreement any of such words shall at any time be defaced or destroyed on any such unit, the Borrower shall immediately cause such defaced or destroyed words to be restored or replaced. The Borrower shall not allow the name of any person, firm, corporation or entity to be placed on any such unit as a designation which might be interpreted as indicating a claim of ownership by any person, firm, corporation or entity other than Allied-Signal.

(b) As promptly as possible after any unit of the Tank Cars becomes subject to this Security Agreement, the Borrower agrees to cause its identifying symbol to be placed on, and one of its car numbers to be assigned to and placed on, each side of each unit. At all times after placing such identifying symbols and car numbers on such units, the Borrower will cause each such unit to continue to bear on each side thereof such identifying symbol and assigned car number. The Borrower shall use its best efforts to cause the identifying legend required by Section 7(a) hereof and such identifying symbols and car numbers to be placed upon at least 60% in number of the units of Tank Cars not later than six months after such units become subject to this Security Agreement and will cause all such units to be so identified not later than one year after becoming subject to the Security Agreement. Promptly thereafter, the Borrower agrees to notify Allied-Signal in writing that all such units have been so identified. The Borrower shall cause Allied-Signal's trademark,

logotype and any other relevant identifying mark to be removed from the Tank Cars promptly after becoming subject to this Security Agreement.

8. Default.

(a) A Default (herein called a "Default") shall exist hereunder:

(1) if, unless permitted elsewhere herein, the Borrower shall or shall attempt to (a) remove or allow removal of or Fixed Assets, other than in the ordinary course of business, from the places where they are maintained by the Borrower in the ordinary course of its business, (b) sell, further encumber or otherwise dispose of Collateral or any interest therein, (c) fail to maintain and protect the validity of, or its right, title or interest in and to, the Collateral, or (d) use or allow the use of, Tank Cars or Fixed Assets in connection with any undertaking prohibited by law or allow any use of an Intangible inconsistent with its rights therein;

(2) if Tank Cars or Fixed Assets shall be levied upon or seized in any legal proceedings, or held by virtue of any lien or distress and such attachment lien seizure or holding remains undischarged for 30 days;

(3) if the Borrower shall fail to pay when due all taxes and assessments upon the Collateral; or

(4) if the insurance policies required to be maintained in connection with the Collateral pursuant to Section 5 hereof are not kept in full force and effect; or

(5) if, for 30 days after notice from Allied-Signal, the Borrower shall continue to be in default under any covenant, warranty or representation of the Borrower hereunder.

(6) if a default as specified in the Note shall have occurred and be continuing.

(b) Upon the happening of a Default, the Borrower agrees upon demand to deliver to Allied-Signal the Tank Cars and the Fixed Assets and assignments of the patent and other Intangibles (in form sufficient for recordation), or Allied-Signal may, with or without legal process, and with or without previous notice or demand for performance, enter any premises wherein any of the Tank Cars or the Fixed Assets may be, and take possession of the same, together with anything therein; and Allied-Signal may make disposition of the Collateral and exercise any and all rights and remedies afforded to Allied-Signal under any and all applicable provisions of the law; and the Borrower hereby irrevocably appoints Allied-Signal its true and lawful agent, with power of substitution for the Borrower and in the Borrower's name, Allied-Signal's name or otherwise, to do any or all of the foregoing. If any of the Collateral is sold at public sale, Allied-Signal may purchase all or any part thereof at such sale. Allied-Signal, provided it has sent a statutory notice of default, may retain from the Proceeds of such sale all reasonable costs incurred in such taking and sale and an amount equal to all Liabilities of the Borrower. After applying the Proceeds of any such sale as provided in the preceding sentence, Allied-Signal

shall pay any additional Proceeds of any such sale to the Borrower.

(c) No remedy herein conferred upon or reserved to Allied-Signal is intended to be exclusive of any other remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Security Agreement or now or hereafter existing at law or in equity or by statute.

9. Subordination of Rights. Notwithstanding any other provisions of this Agreement, Allied-Signal and Borrower agree that with respect to Insurance Proceeds as that term is defined and used in that certain Subordination Agreement between Borrower and Allied-Signal of even date herewith, all rights of Allied-Signal in and to the Insurance Proceeds shall be subordinated to the extent and as provided in the terms and provisions of the Subordination Agreement.

10. Additional Agreements. The Borrower shall perform each term to be performed by the Borrower pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Collateral.

11. General Agreements.

(a) The Borrower agrees to pay the costs of filing financing statements and of conducting searches in connection with this Agreement. The Borrower will promptly cause this Security Agreement and any amendment thereto to be filed with the Interstate Commerce Commission and to be filed, registered and

recorded wherever else and whenever required under the laws of any jurisdiction within or without the United States and will pay the costs thereof. The Borrower will from time to time perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, reregister and rerecord whenever required) any and all further instruments, required by law or reasonably requested by Allied-Signal for the purpose of carrying out the intention of this Security Agreement, and will pay the costs thereof. The Borrower will from time to time perform any other act and will execute, acknowledge, deliver, file, register and record (and will refile, reregister and rerecord whenever required) any and all further instruments, required by law or reasonably requested by Allied-Signal for the purpose of carrying out the intention of this Security Agreement, and will pay the costs thereof. The Borrower shall, at the request of Allied-Signal, deliver to Allied-Signal any additional instruments which Allied-Signal shall require in order to further secure and perfect the lien of this Security Agreement. To the extent permitted by law, the Borrower hereby authorizes Allied-Signal to file the Security Agreement, the financing statements and any such instrument without the signature of the Borrower for any purpose consistent with the terms of this Security Agreement.

(b) The Borrower agrees to allow Allied-Signal through any of its officers or agents, at all reasonable times, to examine or inspect any of the Collateral and to examine, inspect

and make extracts from the Borrower's books and records relating to the Collateral.

(c) The Borrower will promptly pay when due all taxes, fees, assessments and other charges upon the Collateral or Borrower's interest therein or for its use or operation or earnings arising from said use or operation or upon the proceeds thereof or upon this Security Agreement or upon any instrument or instruments evidencing the Liabilities.

(d) At its option, Allied-Signal may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, and may pay for the maintenance and preservation of the Collateral, and the Borrower agrees to reimburse Allied-Signal on demand for any payment made or any expense incurred by it pursuant to the foregoing authorization, including counsel fees and disbursements incurred or expended in connection with this Security Agreement.

(e) Allied-Signal shall not be deemed to have waived any of its rights hereunder or under any other agreement, instrument or paper signed by the Borrower unless such waiver is in writing and signed by Allied-Signal. No delay or omission on the part of Allied-Signal in exercising any right shall operate as a waiver thereof or of any other right. A waiver upon any one occasion shall not be construed as a bar or a waiver of any right or remedy on any future occasion. All of the rights and remedies of Allied-Signal, whether evidenced hereby or by any other agreement, instrument or paper, shall be cumulative and may be

exercised singly or concurrently. If any term or provision of this Security Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Security Agreement and any other application of such term or provision shall not be affected thereby.

(f) This Agreement shall be governed and construed in accordance with the laws of the State of New Jersey. This Agreement shall be binding upon and shall inure to the benefit of the Borrower and Allied-Signal and their respective successors and assigns. None of the terms or provisions hereof may be waived, altered, modified or amended except by an agreement in writing executed by the parties hereto.

(g) This Security Agreement shall terminate upon the payment in full of all Liabilities. Upon the termination of this Security Agreement, Allied-Signal shall execute and deliver (without any representation or warranty) such assignments, releases or termination statements with respect to the Collateral as may be reasonably requested by the Borrower.

(h) The Borrower agrees, at such time or times as Allied-Signal may request, to prepare and deliver to Allied-Signal a schedule or schedules in form satisfactory to Allied-Signal, certified by a duly authorized officer of the Borrower, showing all material Collateral subject to the Security Interest granted or to be granted hereby. Such schedule or schedules shall be accompanied by copies of all instruments or documents

covering or relating to the Collateral shown in such schedule or schedules.

(i) This Agreement shall be binding upon and inure to the benefit of Allied-Signal and the Borrower and their respective successors and assigns, except that the Borrower may not assign or transfer its rights hereunder without the prior written consent of Allied-Signal. Allied-Signal will give the Borrower prior written notice of any assignment by it of its rights under this Agreement.

(j) The headings in this Security Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

9. Notices.

All communications provided for under this Security Agreement shall be in writing and shall be sufficient if sent by first class mail, addressed as follows:

(a) If to the Borrower, to:

LCP Chemicals - West Virginia, Inc.
Raritan Plaza II
Raritan Center
Edison, New Jersey 08817
Attention of President;

(b) If to Allied-Signal, to:

Allied-Signal Inc.
P.O. Box 1219R
Morristown, New Jersey 07960
Attention of Treasurer

IN WITNESS WHEREOF, the Borrower and Allied-Signal have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

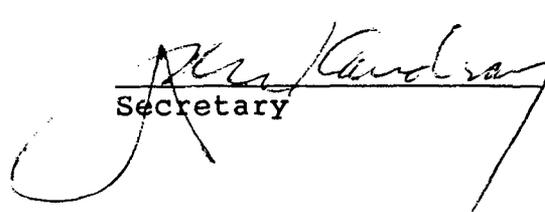
LCP CHEMICALS - WEST VIRGINIA, INC.

[Corporate Seal]

ATTEST:

By: 

Chairman of The Board and
Chief Executive Officer


Secretary

[Corporate Seal]

ATTEST:


Ass't. Secretary

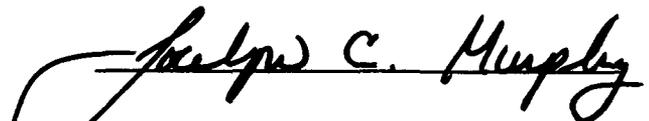
ALLIED-SIGNAL INC.

By: 

Vice President & General Counsel
Engineered Materials Sector

STATE OF NEW ~~JERSEY~~^{York})
COUNTY OF ~~MORRIS~~^{New York}) :SS:

On this 6th day of October, 1989, before me personally came C. A. Hansen, to me personally known, who being by me duly sworn, did depose and say that he resides at Highlands, New Jersey; that he is CEO of LCP Chemicals-West Virginia, Inc., the corporation described in, and which executed, the above Amendment to Chattel Mortgage and Security Agreement; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.



JOCELYN C. MURPHY
NOTARY PUBLIC, State of New York
NO. 4931032
Qualified in Rockland County
Commission Expires May 31, 1990

SCHEDULE A

to

Amended and Restated

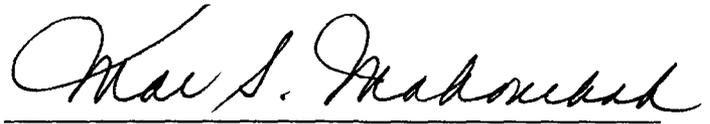
Chattel Mortgage and Security Agreement

BIN	CAR ID	PU YR	COST NEW	BOOK VALUE	DOT-CLASS	PROD	SIZ	BU LT YR	LI GR YR	ND YR	PT YR	MILE RATE
01)	LCWX 9636	80	174	3120	105A300W	MCL	40	53	85		85	0.276
02)	LCWX 68793	80	174	3120	105A500W	SPNT	55	53	88		78	0.276
03)	LCWX 91176	80	174	3120	105A300W	MCL	40	56	81		81	0.276
04)	LCWX 91224	80	174	3120	105A300W	MCL	40	56	85		85	0.276
05)	LCWX310200	80	383	5746	103W	CS	60	67	86	83	86	0.415
06)	LCWX310201	80	383	5746	103W	CS	60	67	88	86	88	0.415
07)	LCWX310202	80	383	5746	103W	CS	60	67	88	88	83	0.415
08)	LCWX310203	80	383	5746	103W	CS	60	67	88	88	88	0.415
09)	LCWX310209	80	383	5746	103W	CS	60	67	88	83	88	0.415
10)	LCWX310211	80	383	5746	103W	KOHL	60	67	86	83	83	0.415
11)	LCWX310213	80	383	5746	103W	CS	60	67	89	89	89	0.415
12)	LCWX416000	80	696	5922	111A100W1	CS	100	68	84	84	84	0.436
13)	LCWX416011	80	696	5922	111A100W1	CS	100	68	86	86	86	0.436
14)	LCWX416012	80	696	5922	111A100W1	CS	100	68	87	87	87	0.436
15)	LCWX416014	80	696	5922	111A100W1	CS	100	68	88	88	85	0.436
16)	LCWX416017	80	696	5922	111A100W1	CS	100	68	87	87	85	0.436
17)	LCWX416024	80	696	5922	111A100W1	CS	100	68	81	81	81	0.436
18)	LCWX416027	80	696	5922	111A100W1	CS	100	68	88	88	88	0.436
19)	LCWX416030	80	696	5922	111A100W1	CS	100	68	88	88	88	0.436
20)	LCWX416034	80	696	5922	111A100W1	CS	100	68	88		88	0.436
21)	LCWX416036	80	696	5922	111A100W1	CS	100	68	86	86	84	0.436
22)	LCWX416037	80	696	5922	111A100W1	CS	100	68	84	84	84	0.436
23)	LCWX416038	80	696	5922	111A100W1	CS	100	68	85	85	85	0.436
24)	LCWX416046	80	696	5922	111A100W1	KOH	100	68	88	88	88	0.436
25)	LCWX416049	80	905	6039	111A100W1	CS	100	72	85	85	85	0.436
26)	LCWX416061	80	905	6039	111A100W1	CS	100	72	87	87	87	0.436
27)	LCWX416065	80	905	6039	111A100W1	CS	100	72	87	87	82	0.436
28)	LCWX416074	80	905	6039	111A100W1	CS	100	72	88	88	88	0.436
29)	LCWX610212	80	278	5688	103W	CS	60	64	88	84	88	0.408
30)	LCWX610215	80	278	5688	103W	CS	60	64	85	85	85	0.408
31)	LCWX610218	80	278	5688	103W	CS	60	64	80	80	80	0.408
32)	LCWX610220	80	278	5688	103W	CS	60	64	88	85	85	0.408
33)	LCWX610221	80	278	5688	103W	CS	60	64	87	82	87	0.408
34)	LCWX616001	80	4000	7772	111A100W1	CFM	100	66	85	85	82	0.415
35)	LCWX616002	80	4000	7772	111A100W1	CFM	100	66	86	86	81	0.415
36)	LCWX616003	80	4000	7772	111A100W1	CFM	100	66	86	83	83	0.415
37)	LCWX616004	80	4000	2240	111A100W1	CFM	100	66	80	71	80	0.415
38)	LCWX616005	80	4000	4263	111A100W1	CFM	100	66	86	74	86	0.415
39)	LCWX616007	80	4000	4263	111A100W1	CFM	100	66	88	79	88	0.415
40)	LCWX616008	80	4000	7772	111A100W1	CFM	100	66	86	86	86	0.415
41)	LCWX616009	80	4000	7772	111A100W1	CFM	100	66	88	86	88	0.415

41 RECORDS SELECTED

STATE OF NEW JERSEY)
)
) SS:
COUNTY OF MORRIS)

On this 12th day of October, 1989 I do hereby certify that the attached Amended and Restated Chattel Mortgage and Security Agreement is a true and exact copy of the original document.



Notary Public

MAE S. MAHONCHAK
A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 16, 1994



7
December 11

LEASE SUPPLEMENT

SUPPLEMENT NO. 2, dated as of June 4, 1963, to that certain Lease of Railroad Equipment, dated as of October 2, 1962, between FIRST UNION PROPERTIES, INC. as Lessor and ALLIED CHEMICAL CORPORATION as Lessee for an Initial Term and a Basic Term extending to and including January 31, 1984 (such Lease, as heretofore amended and supplemented and as herein amended and supplemented, being hereinafter termed the Lease).

WHEREAS, Lessor and Lessee delivered the Lease on October 9, 1962, which Lease covers 589 railroad cars of the type described in Schedule B thereof, and delivered on December 7, 1962 Supplement No. 1 to such Lease, which Supplement covers 2027 railroad cars of the type described in Schedule A thereof;

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which said considerations are hereby acknowledged and confessed by each party, it is hereby mutually agreed by and between Lessor and Lessee that the Lease shall be and the same hereby is further amended and supplemented, in the following particulars:

1. The "Description of the Equipment" set forth as Schedule A to such Supplement No. 1 to the Lease is hereby amended so that the Identifying Symbol "PCLX" wherever appearing in column 3 of such Schedule A shall read "PLCX".

This Supplement is expressly made supplemental to and a part of the Lease. Except as hereinabove expressly amended and supplemented, the Lease shall be and remain unaltered and in full force and effect. Lessor and Lessee hereby confirm and ratify the Lease as amended and supplemented hereby.

IN WITNESS WHEREOF, Lessor and Lessee, pursuant to due corporate authority, have caused these presents to be signed in their respective corporate names and their respective corporate seals to be hereunto affixed, duly attested, all as of the day and year first above written.

FIRST UNION PROPERTIES, INC.

By _____
President

Attest:

Assistant Secretary

ALLIED CHEMICAL CORPORATION

By James Sheridan
Vice President

Attest:

Richard Hansen
Assistant Secretary

Railroad Equipment and Lease Agreement dated as of October 2, 1962 between First Union Properties, Inc. and Allied Chemical Corporation as amended by Supplement No. 1 dated as of December 4, 1962 ("12/4/62")

<u>Number of Cars Per Group</u>	<u>Identifying Marks From</u>	<u>To</u>	<u>Type of Service</u>	<u>Applicable Agreement or Amendment</u>	<u>Unamortized Value Per Group</u>
1	ACDX 9370		Chloromethane	October, 1962	5,000
1	9616		Chloromethane	October, 1962	5,000
1	9636		Chloromethane	October, 1962	5,000
1	9645		Chloromethane	October, 1962	5,000
1	9658		Chloromethane	October, 1962	5,000
1	9700		Chloromethane	October, 1962	5,000
1	9729		Chloromethane	October, 1962	5,000
1	9733		Chloromethane	October, 1962	5,000
1	9738		Chloromethane	October, 1962	5,000
1	9789		Chloromethane	October, 1962	5,000
1	9815		Chloromethane	October, 1962	5,000
1	9818		Chloromethane	October, 1962	5,000
1	9831		Chloromethane	October, 1962	5,000
1	9852		Chloromethane	October, 1962	5,000
1	9890		Chloromethane	October, 1962	5,000
1	9898		Chloromethane	October, 1962	5,000
1	9943		Chloromethane	October, 1962	5,000
1	9973		Chloromethane	October, 1962	5,000
1	410165		Chloromethane	October, 1962	5,000
1	410167		Chloromethane	October, 1962	5,000
1	91009		Chloromethane	October, 1962	5,000
1	91054		Chloromethane	October, 1962	5,000
1	91176		Chloromethane	October, 1962	5,000
1	91199		Chloromethane	October, 1962	5,000
1	91224		Chloromethane	October, 1962	5,000
1	91242		Chloromethane	October, 1962	5,000
1	68711		Chlorine	October, 1962	3,000
1	68793		Chlorine	October, 1962	5,000