

MAYER, BROWN & PLATT

CHICAGO  
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LOS ANGELES  
NEW YORK  
TOKYO  
MEXICO CITY CORRESPONDENT  
JAUREGUI, NAVARRETE, NADER Y ROJAS

2000 PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20006-1882

WRITER'S DIRECT DIAL NUMBER

202-463-2000  
TELEX 892603  
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202-861-0473

18365-0  
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(202) 955-0872

February 27, 1996

Office of the Secretary  
Surface Transportation Board  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

RECEIVED  
FEB 27 1 53 PM '96  
OFFICE OF SECRETARY

To whom it may concern:

Enclosed is an original and ten (10) copies of an Agreement to Substitute Collateral, dated as of February 20, 1996, between the following parties:

Borrower: Formosa Plastics Corporation, USA  
Nine Peach Tree Hill Road  
Livingston, NJ 07039  
  
Lender: CIBC, Inc.  
425 Lexington Avenue  
New York, NY 10017

The filing fee of \$21.00 is enclosed.

Thank you.

*5 copies have been  
recorded in 19486*

Sincerely,

*David Schnetzer*  
David Schnetzer  
Project Assistant

Enclosures

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20425-0001

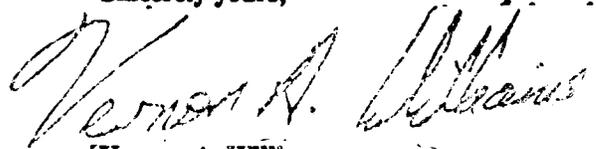
2/27/96

David Schnetzer  
Mayer, Brown & Platt  
2000 Pennsylvania Avenue, NW.  
Washington, DC., 20006-1882

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 2/27/96 at 1:40PM, and assigned recordation number(s). 18365-C.

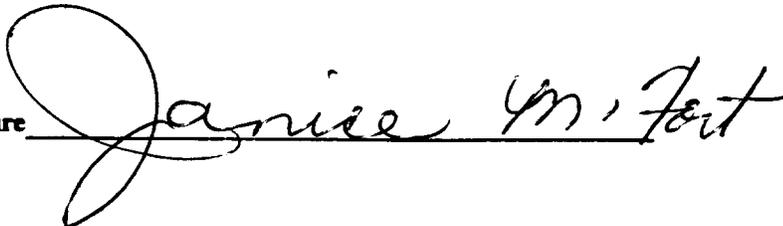
Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



18365-0

Agreement to Substitute Collateral

Reference is made to the Loan and Security Agreement dated as of June 23, 1995, as amended (the "Agreement"), among Formosa Plastics (the "Borrower"), various financial institutions party thereto (the "Lenders") and Canadian Imperial Bank of Commerce, New York Agency (the "Agent"). The terms being used in this Agreement to Substitute Collateral have the meanings set forth in the Credit Agreement.

The Agent and the Lenders hereby agree to the substitution of the Equipment listed in Exhibit A hereto under the heading "Equipment to be Replaced" with the equipment listed in Exhibit A hereto under the heading "Replacement Equipment" and hereby agree that such Replacement Equipment shall be "Equipment" for purposes of the Agreement. The permission to substitute granted above shall be limited to its express terms and to this occasion alone, and, except for the substitution agreed to above, the Agreement and each other Loan Document shall continue in full force and effect in accordance with its terms.

By execution and delivery of this Agreement to Substitute Collateral the Borrower does hereby grant, bargain, sell, assign, transfer, convey, mortgage, pledge and confirm, unto the Agent and each Lender, its successors and assigns, a security interest in and on all estate, right, title and interest of the Borrower in, to and under all such Replacement Equipment and does hereby make such Replacement Equipment subject to all provisions of the Agreement, including, without limitation, the Lien created thereby and Article X thereof.

This Agreement to Substitute Collateral is a Loan Document executed and delivered in connection with the Agreement, and shall be construed in accordance with the terms of the Agreement (including Article XII thereof). This Agreement to Substitute Collateral may be executed in counterparts and shall be governed by the laws and state of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of Feb. 20, 1996 above written.

FORMOSA PLASTICS CORPORATION, U.S.A.

By: \_\_\_\_\_

  
Robert P.H. Ho  
VP & Treasurer



CANADIAN IMPERIAL BANK OF COMMERCE,  
NEW YORK AGENCY, as Agent

By: J.H. Parisella  
Jerry H. Parisella  
Authorized Signatory

LENDERS

CIBC INC.

By: J.H. Parisella  
Jerry H. Parisella  
Authorized Signatory

Sworn before me this  
14<sup>th</sup> day of December, 1995

Ivellise Laboy Brook  
Notary Public

[Notary Seal]

IVELLISE LABOY BROOK  
NOTARY PUBLIC, State of New York  
No. 02-4613759  
Qualified in Bronx County  
Commission Expires December 31, 1995

ABN AMRO BANK N.V. NEW YORK BRANCH

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Sworn before me this  
\_\_\_\_ day of December, 1995

\_\_\_\_\_  
Notary Public

[Notary Seal]

ACKNOWLEDGEMENT

STATE OF NEW YORK  
COUNTY OF NEW YORK

§  
§ SS.:  
§

Personally appeared before me, the undersigned Notary Public, on this 14<sup>th</sup> day of December, 1995, within my jurisdiction, the within named Jerry H. Parisella, who acknowledged that he is an authorized signatory of Canadian Imperial Bank of Commerce, New York Agency, and that for and on behalf of Canadian Imperial Bank of Commerce, New York Agency, and its having been duly authorized so to do, he executed the above and foregoing instrument, after first having been duly authorized by Canadian Imperial Bank of Commerce, New York Agency so to do.

*Ivellise Laboy Brook*  
NOTARY PUBLIC

My Commission Expires:

IVELLISE LABOY BROOK  
NOTARY PUBLIC, State of New York  
No. 02-4613759  
Qualified in Bronx County  
Commission Expires December 31, 1995

CANADIAN IMPERIAL BANK OF COMMERCE,  
NEW YORK AGENCY, as Agent

By: \_\_\_\_\_  
Jerry H. Parisella  
Authorized Signatory

LENDERS

CIBC INC.

By: \_\_\_\_\_  
Jerry H. Parisella  
Authorized Signatory

Sworn before me this  
\_\_\_ day of December, 1995

\_\_\_\_\_  
Notary Public

[Notary Seal]

ABN AMRO BANK N.V. NEW YORK BRANCH

By: \_\_\_\_\_  
Name: *George Dugan*  
Title: *V.P.*

By: \_\_\_\_\_  
Name: *David A. Mondell*  
Title: *VP*

Sworn before me this  
\_\_\_ day of December, 1995

\_\_\_\_\_  
Notary Public

[Notary Seal]

BANK BRUSSELS LAMBERT,  
NEW YORK BRANCH

By: *Edgar Lorch*  
Name: EDGAR LORCH  
Title: SENIOR VICE PRESIDENT

By: *Dominick H. S. Vangaever*  
Name: Dominick H. S. Vangaever  
Title: Vice President  
Credit Department

Sworn before me this  
12 day of December, 1995

*Carmen S. Mercado*

Notary Public

CARMEN S. MERCADO  
Notary Public, State of New York  
No. 4900482  
Qualified in Westchester County  
Certificate Filed in New York County  
Commission Expires June 22, 1997



BANQUE NATIONALE DE PARIS

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Sworn before me this  
\_\_\_\_ day of December, 1995

\_\_\_\_\_  
Notary Public

[Notary Seal]

BANK BRUSSELS LAMBERT,  
NEW YORK BRANCH

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Sworn before me this  
\_\_\_\_\_ day of December, 1995

Notary Public

[Notary Seal]

BANQUE NATIONALE DE PARIS

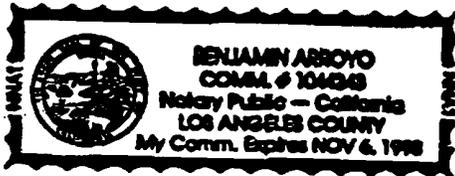
By: \_\_\_\_\_  
Name: C. BETTLES  
Title: *VP*

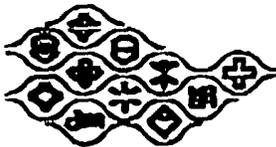
By: \_\_\_\_\_  
Name: Jenny Tseng  
Title: v. p.

Sworn before me this  
14<sup>th</sup> day of December, 1995

*Benjamin Arroyo*  
Notary Public

[Notary Seal]





**FORMOSA PLASTICS CORPORATION, USA**  
9 PEACH TREE HILL ROAD - LIVINGSTON, NJ 07039-5712 • TEL: (201) 982-2000

December 5, 1995

Via Fax # (212)856-3991

Mr. Jerry H. Parisella  
Vice President  
Canadian Imperial Bank of Commerce  
425 Lexington Avenue  
New York, NY 10017

Re: Railcar Substitution

Dear Mr. Parisella:

As per our phone conversation this afternoon, below please find for your review in connection with the above-captioned subject a list of substituted railcars.

ORIGINAL

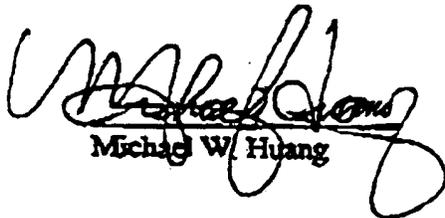
SUBSTITUTE

FPAX 945463  
945471  
945473  
945474  
945475

FPAX 945448  
945442  
945439  
945438  
945437

Please contact me at (201)716-7370 should you have any questions. Thank you for your assistance.

Sincerely,

  
Michael W. Huang