STERLING CHEMICALS INC
Form 4
August 11, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
SASS MARTIN D

(Last) (First) (Middle)

C/O RESURGENCE ASSET MANAGEMENT LLC, 1185 AVENUE OF THE AMERICAS, 18TH FL.

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
STERLING CHEMICALS INC [SCHI OB]

3. Date of Earliest Transaction (Month/Day/Year)
08/09/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director
__X__ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/09/2011		J[(1)]		9,888,831 [(1)]	D	[(1)]	0	I	See footnotes (2) (3) (4)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series A Convertible Preferred Stock	(1) (5)	08/09/2011		J(1)			8,299.289	(1)	(1)	Common Stock	9,888, (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SASS MARTIN D C/O RESURGENCE ASSET MANAGEMENT LLC 1185 AVENUE OF THE AMERICAS, 18TH FL. NEW YORK, NY 10036		X		

Signatures

/s/ Martin D. Sass	08/11/2011
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The shares of the Issuer's common stock beneficially owned by the Reporting Person, par value $.01 per share (the "Common Stock") and the shares of the Issuer's Series A Preferred Stock beneficially owned by the Reporting Person (the "Preferred Stock"), in each case as reported herein (collectively, the "Subject Securities"), were disposed of pursuant to the terms of the Agreement and Plan of Merger, dated as of June 22, 2011, by and among the Issuer, Eastman Chemical Company and Eastman TC, Inc. (the "Merger Agreement"). The effective date of the Merger Agreement was August 9, 2011. The Common Stock was disposed of in exchange for the right to receive the Common Stock Consideration (as defined in the Merger Agreement) and the Preferred Stock was disposed of in exchange for the right to receive the Preferred Stock Consideration (as defined in the Merger Agreement).

(2) The Subject Securities were disposed of for accounts managed or advised by, or beneficially owned by, Resurgence Asset Management, L.L.C. ("RAM"), Resurgence Asset Management International, L.L.C ("RAMI"), Re/Enterprise Asset Management, L.L.C. ("REAM"), M.D. Sass Investors Services, Inc. ("MDSIS") and Resurgence Asset Management, L.L.C. Employment Retirement Plan (the "Plan"), respectively. Martin D. Sass serves as Chairman, Chief Executive Officer or Trustee of RAM, RAMI, REAM, MDSIS and the Plan as applicable, and exercises voting and investment power of the Subject Securities solely in his capacity as Chairman, Chief Executive Officer or Trustee of each of the foregoing entities.

(3) RAM exercises voting and investment power of certain of the Subject Securities solely in RAM's capacity as the general partner and/or investment advisor of Corporate Resurgence Partners, L.L.C., Corporate Resurgence Partners II, L.L.C., and M.D. Sass Corporate Resurgence Partners III, L.P. RAMI exercises voting control and investment power over of certain of the Subject Securities solely in

RAMI's capacity as the investment advisor of Corporate Resurgence, Ltd. REAM exercises voting and investment power over of certain of the Subject Securities as the sole investment adviser to two employee pension plans, is the general partner and sole investment advisor of the M.D. Sass Associates, Inc. Employee Retirement Plan, M.D. Sass Re/Enterprise Portfolio Company, L.P. and M.D. Sass Re/Enterprise II, L.P.

(4) In addition, MDSIS, the Plan and certain funds which have invested side-by-side with funds managed by RAM and RAMI beneficially own in the aggregate an additional 27,165 shares of Common Stock; and 141,921 shares of Preferred Stock (collectively, the "Other Securities"). Mr. Sass disclaims beneficial ownership interest in all securities reported herein except to the extent of his pecuniary interest, if any, in RAM, RAMI, REAM and the entities owning the Other Securities, including MDSIS and the Plan.

(5) The Preferred Stock converts into the Common Stock on a one-for-one thousand basis.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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