

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)
)
JUSTICE MORAWETZ)

FRIDAY, THE 1ST
DAY OF JUNE, 2012

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF
TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

Applicants

**ORDER
(Re Approval of Subsequent DIP Amendment)**

THIS MOTION, made by Timminco Limited ("**Timminco**") and Bécancour Silicon Inc. ("**BSI**" and, together with Timminco, the "**Timminco Entities**"), for an order approving the Subsequent DIP Amendment (defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Timminco Entities, the Supplemental Motion Record of the Timminco Entities, the Affidavit of Rahib Assal sworn May 28, 2012, the Second Supplemental Motion Record of the Timminco Entities, the Responding Motion Record of Dow Corning Corporation ("**DCC**"), the Supplemental Responding Motion Record of DCC, the Responding Motion Record of Wacker Chemie AG ("**Wacker**"), the Affidavit of Dr. Tobias Brandis sworn May 25, 2012, the Responding Motion Record of QSI, and the

Seventh Report, Eighth Report and Ninth Report of FTI Consulting Inc., in its capacity as Court-appointed Monitor of the Timminco Entities (the "**Monitor**") dated May 15, May 20 and May 27, 2012, respectively, and on being advised that those parties disclosed on the Service List attached to the Motion Record were served with the Notice of Motion and Motion Record, and on hearing the submissions of counsel for the Timminco Entities, the Monitor, QSI Partners Ltd., DCC, Wacker, Mercer Canada, the Administrator of the Haley Pension Plan, BSI Non-Union Employee Pension Committee, La Section Locale 184 De Syndicat Canadien des Communciations, de l'Energie et du Papier and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Kathryn Esaw sworn May 10, 2012, filed,

1. **THIS COURT ORDERS** that amending agreement no. 2 dated May 9, 2012 between QSI Partners Ltd. (the "**DIP Lender**") and the Timminco Entities (the "**Subsequent DIP Agreement**"), constituting an amendment to the DIP Agreement, is hereby approved.

2. **THIS COURT ORDERS** that paragraph 2 of the Order of Justice Morawetz dated February 8, 2012 (the "**DIP Order**") is hereby amended as follows:

2. **THIS COURT ORDERS** that the Timminco Entities are hereby authorized and empowered to obtain and borrow under a credit facility (the "**DIP Facility**") from QSI Partners Ltd. (the "**DIP Lender**") for the purposes set out in the DIP Agreement (as defined below), provided that principal borrowings under such credit facility shall not, on or before June 8, 2012, exceed US\$4,250,000 (the "**Tranche "A"**)

Maximum Amount") and, after June 8, 2012, shall not exceed the aggregate of the Tranche A Maximum Amount and Cdn.\$2,500,000 (the "Tranche B Maximum Amount" and together with the Tranche "A" Maximum Amount, the "Maximum Amount") unless permitted by further Order of this Court.

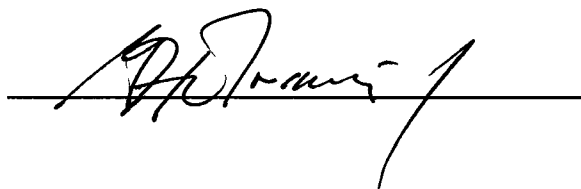
3. **THIS COURT ORDERS** that paragraph 4 of the DIP Order is hereby amended as follows:

4. THIS COURT ORDERS that within one business day of the date of this Order, the DIP Lender shall send by wire transfer to the Monitor the Tranche A Maximum Amount, to be deposited by the Monitor into a segregated, interest-bearing account of the Monitor (the "**Monitor Account**"). Subject to any applicable bank fees or charges in connection with the opening, operating and/or maintenance of the Monitor Account (the "**Bank Fees**"), unless and until funds are advanced by the Monitor to the Timminco Entities in accordance with the DIP Agreement, all funds in the Monitor Account, including interest earned thereon, are the sole property of the DIP Lender, and no lien, encumbrance, court-ordered charge, security interest, or hypothec in or on, or other claims to or interests in, the assets, undertaking, property or business of the Timminco Entities shall encumber, attach to or be admitted as a claim against the funds in the Monitor Account.

4. **THIS COURT ORDERS** that paragraph 7 of the DIP Order is hereby amended as follows:

7. **THIS COURT ORDERS** that subject to paragraph 6 hereof and subject to Section 5 of the DIP Agreement, as amended by the Amending Agreement between the DIP Lender and Timminco Entities dated March 1, 2012 and as further amended by the Amending Agreement No. 2 between the DIP Lender and the Timminco Entities dated May 9, 2012, the Monitor shall return to the DIP Lender the balance of the Maximum Amount held by the Monitor in the Monitor Account, together with any interest earned thereon and less any Bank Fees incurred, as of the date of transfer, by initiating a wire transfer to an account designated in writing by the DIP Lender and delivered to the Monitor in accordance with the notice provisions provided for in the DIP Agreement forthwith upon the Maturity Date (as defined in the DIP Agreement, as amended by Amending Agreement No. 2).

5. **THIS COURT ORDERS** that within one business day of the date of this Order, the DIP Lender shall send by wire transfer to the Monitor the Tranche B Maximum Amount to be deposited by the Monitor into the Monitor's Account (as defined in the DIP Order) and held in accordance with the DIP Order. DIP Advances (as defined in the DIP Order) from the Tranche B Maximum Amount will be distributed by the Monitor to the Borrowers in accordance with the terms of the DIP Agreement, as amended by the Amending Agreement between the DIP Lender and Timminco Entities dated March 1, 2012 and the Subsequent DIP Amendment, and the DIP Order.



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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No. CV-12-9539-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TIMMINCO LIMITED AND BÉCANCOUR SILICON INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**ORDER
(RE APPROVAL OF SUBSEQUENT DIP
AMENDMENT)**

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