



**SENIOR SECURED, SUPER-PRIORITY DEBTOR-IN-POSSESSION
REVOLVING CREDIT AGREEMENT**

dated as of

September 15, 2009

among

BARZEL INDUSTRIES INC.

BARZEL FINCO INC.

BARZEL INDUSTRIES CANADA INC.

the Lenders party hereto

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

and

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH,
as Canadian Agent

J.P. MORGAN SECURITIES INC.
as Joint Lead Arranger and
Joint Bookrunner

CIBC WORLD MARKETS CORP.
as Joint Lead Arranger and
Joint Bookrunner

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SCHEDULES:

- Schedule 1.01B— Applicable Funding Account
- Schedule 2.01— Revolving Commitments; Applicable Lending Offices
- Schedule 2.06A— Existing Letters of Credit
- Schedule 3.05— Properties and Mortgaged Properties
- Schedule 3.06(b)— Environmental Matters
- Schedule 3.10— Canadian Pension Plans
- Schedule 3.12— Subsidiaries and Joint Ventures
- Schedule 3.13— Insurance
- Schedule 3.16— Accounts
- Schedule 6.01— Existing Indebtedness
- Schedule 6.02— Existing Liens
- Schedule 6.04— Existing Investments
- Schedule 6.10— Existing Restrictions

EXHIBITS:

- Exhibit A — Initial Approved Budget
- Exhibit B — Form of Assignment and Assumption
- Exhibit C — Form of CCAA Initial Order
- Exhibit D — Form of US Bankruptcy Initial Order
- Exhibit E — Form of Perfection Certificate

THIS SENIOR SECURED, SUPER-PRIORITY DEBTOR-IN-POSSESSION REVOLVING CREDIT AGREEMENT (this "Agreement"), dated as of September 15, 2009, among **BARZEL INDUSTRIES INC., BARZEL FINCO INC, BARZEL INDUSTRIES CANADA INC.**; the **LENDERS** party hereto; **JPMORGAN CHASE BANK, N.A.**, as Administrative Agent; and **JPMORGAN CHASE BANK, N.A., TORONTO BRANCH**, as Canadian Agent.

WHEREAS, the Borrowers are party to that certain Credit Agreement, dated as of November 15, 2007 (as amended, the "Prepetition Credit Agreement"), among the Borrowers, the several banks, financial institutions and other entities from time to time parties thereto, as lenders thereunder (the "Prepetition Lenders"), and the Administrative Agent, as administrative agent and as Canadian agent (the "Prepetition Agent") for the Prepetition Lenders.

WHEREAS, under the Prepetition Credit Agreement, the Prepetition Lenders provided the Borrowers with revolving credit loans and certain letters of credit in aggregate amount outstanding as of September [14], 2009 (the "Filing Date") as set forth on Schedule 1.01A.

WHEREAS, Barzel, the US Borrower and certain of its Subsidiaries excluding the Canadian Debtor (the "US Debtors") have commenced voluntary cases (the "Chapter 11 Cases") under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and the US Borrower continues to operate its businesses and manage its properties as debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS, the Canadian Borrower (the "Canadian Debtor" and together with the US Debtors, the "Debtors") has filed an Application under the *Companies Creditors Arrangement Act* (the "CCAA") in the Ontario Superior Court of Justice - Commercial List (the "Canadian Court") for relief (the "Canadian Case" and together with the Chapter 11 Cases, the "Cases") and the Canadian Borrower continues to operate its business and manage its properties pursuant to the CCAA and the CCAA Initial Order (as defined below); and

WHEREAS, the Borrowers have requested that the Lenders make post-petition loans and advances to the Borrowers consisting of a revolving credit facility in an aggregate principal amount not to exceed US\$30,000,000 at any one time outstanding. The Lenders have severally, and not jointly, agreed to extend such credit to the Borrowers subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“ABR”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“Account” has the meaning assigned to such term in the New York UCC.

“Adequate Protection Claims” means a superpriority administrative expense claim in an amount equal to the aggregate diminution, if any, subsequent to the Filing Date, in the value of the Prepetition Collateral, caused by (i) the reduction in the Prepetition Agent’s and Prepetition Lenders’ interest, and the Prepetition Indenture Trustee’s and Senior Noteholders’ interest, in the Prepetition Collateral available to satisfy the Prepetition Credit Agreement Obligations and Senior Notes Obligations as a consequence of the priming authorized under this Agreement; (ii) depreciation, use, sale, loss, decline in market price or otherwise of the Prepetition Collateral; and (iii) the satisfaction of any obligations or expenses of the Loan Parties, other than the Prepetition Obligations, from Cash Collateral or non-cash Prepetition Collateral.

“Administrative Agent” means JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders hereunder, or, as applicable, such Affiliates thereof as it shall from time to time designate for the purpose of performing its obligations hereunder in such capacity, including with respect to a Loan or Borrowing made to the Canadian Borrower, JPMorgan Chase Bank, N.A., Toronto Branch.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreed Administrative Expense Priorities” means those administrative expenses with respect to the US Debtors which shall have the following order of priority with respect to the US Collateral:

- first*, amounts in respect of the Carve-Out,
- second*, all Obligations then due and payable,
- third*, all Adequate Protection Claims; and

fourth, all other allowed administrative expenses to the extent then due and payable and not otherwise paid.

“Albany Facility” means the real estate premises and building located at One West Albany Drive, Town of Colonie, New York, 12205 and all edifices and fixtures related thereto.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) 3%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

“Applicable Funding Account” means, as to each Borrower, the applicable account with the Administrative Agent specified on Schedule 1.01B hereto, or any other account with the Administrative Agent (or one of its Affiliates) that shall be specified in a written notice signed by a Financial Officer of such Borrower and delivered to and approved by the Administrative Agent (such approval not to be unreasonably withheld).

“Applicable Lending Office” means, with respect to any Lender, the office(s) of such Lender (or any Affiliate of such Lender) specified as its “Lending Office(s)” on Schedule 2.01 or, as to any Person that becomes a Lender after the Effective Date, in the Assignment and Assumption executed by such Person, or such other office(s) of such Lender (or an Affiliate of such Lender) as such Lender may hereafter designate from time to time as its “Lending Office(s)” by notice to the Borrowers and the Administrative Agent. A Lender may designate different Lending Offices for Loans to the US Borrower and the Canadian Borrower.

“Applicable Percentage” means, with respect to any Revolving Lender, the percentage of the total Revolving Commitments represented by such Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

“Applicable Rate” means, for any day, with respect to any Loan, or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “ABR/Canadian Prime Spread” or “Commitment Fee Rate”, as the case may be, per annum:

<u>ABR/Canadian Prime Spread</u>	<u>Commitment Fee Rate</u>
7.0%	0.50%

“Approved Budget” means, the detailed operating budget of the Borrowers and their Subsidiaries (as may be amended solely in accordance with Section 6.14)

setting forth the projected financial operations of the Borrowers and their Subsidiaries for the period from the Effective Date through December 11, 2009, in form and substance satisfactory to the Administrative Agent, including, without limitation, the projected cash receipts and disbursements of the Borrowers, on a weekly basis, the weekly projected use of the Revolving Commitments, available cash, cash flow, trade payables, total expenses and capital expenditures. The initial Approved Budget is set forth on Exhibit A.

“Approved Sale” means a transaction (including, for the avoidance of doubt, the orders from the Bankruptcy Court and the Canadian Court approving such transaction) in form and substance reasonably satisfactory to the Administrative Agent and the Lenders, pursuant to which a sale of all or substantially all of the assets of Barzel and the US Debtors to the Buyer pursuant to Section 363 of the Bankruptcy Code and all of the assets of the Canadian Borrower to the Buyer pursuant to an order of the Canadian Court made in the Canadian Case is consummated.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit B or any other form approved by the Administrative Agent.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy”.

“Bankruptcy Court” has the meaning assigned to such term in the recitals hereto.

“Bankruptcy Court Orders” means the Interim Order and the Final Order.

“Bankruptcy Rules” shall mean the Federal Rules of Bankruptcy Procedure, as the same may from time to time be in effect and applicable to the Chapter 11 Cases.

“Barzel” means Barzel Industries Inc., a Delaware corporation.

“Barzel Parent” means Barzel Holdings Inc., a Delaware corporation.

“Benefit Plan” means any employee benefit, health, welfare, pension, supplemental pension, deferred compensation, stock, share or other similar incentive compensation, retirement, post-retirement benefit and post-employment benefit and long-term incentive plans or arrangements, disability or any other employee benefit plan, program, arrangement, policy or practice, whether written or oral, formal or informal, funded or unfunded, registered or unregistered, insured or self-insured, that, in any of the foregoing cases, are applicable to present or former employees, directors or officers of, or individuals working on contract with, Barzel or any Subsidiary and are currently maintained, administered or participated in by Barzel or any Subsidiary, or in respect of which Barzel or any Subsidiary has any contribution obligation or other liability or contingent liability.

“Bidding Procedures Orders” means orders of the Bankruptcy Court and the Canadian Court approving certain procedures governing the process by which a buyer may acquire all or substantially all of the assets of the Borrowers and their Subsidiaries pursuant to Section 363 of the Bankruptcy Code and pursuant to an order of the Canadian Court, as applicable, which orders shall be reasonably satisfactory in form and substance to the Lenders.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrower” or “Borrowers” means, individually or collectively, the US Borrower and the Canadian Borrower.

“Borrowing” means (a) Loans of the same Type, made, converted or continued on same date or (b) a Protective Advance.

“Borrowing Request” means a request by a Borrower for a Borrowing in accordance with Section 2.03.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Loan for the account of the Canadian Borrower, the term “Business Day” shall also exclude any day on which banks are not open for business in Toronto.

“Buyer” means such entity as may be approved by the Lenders to consummate the Approved Sale.

“Canadian Agent” means JPMorgan Chase Bank, N.A., Toronto Branch, acting by designation as Administrative Agent with respect to Loans or Borrowings made to the Canadian Borrower.

“Canadian Appeal Period” means the period of time beginning on the CCAA Filing Date and ending on the date that is 21 days following the date on which the latest of the notices required by Section 5.14 is served.

“Canadian Benefit Plans” means all material employee benefit plans maintained or contributed to by Barzel or any Subsidiary that are not Canadian Pension Plans, including, without limitation, all profit sharing, savings, post-retirement, supplemental retirement, retiring allowance, severance, pension, deferred compensation, welfare, bonus, incentive compensation, phantom stock, legal services and supplementary unemployment benefit plans or arrangements and all life, health, dental and disability plans and arrangements in which employees or former employees of Barzel or its Subsidiaries employed in Canada participate or are eligible to participate.

“Canadian Borrower” means Barzel Industries Canada Inc., a Canadian corporation.

“Canadian Case” has the meaning assigned to such term in the recitals hereto.

“Canadian Collateral” means all of the property, assets, rights and undertaking of the Canadian Debtor.

“Canadian Collateral Documents” means (a) the Canadian Guarantee and Collateral Agreement among the Canadian Borrower, the other Canadian Loan Parties and the Administrative Agent, in form and substance satisfactory to the Administrative Agent, (b) the Canadian Debenture and (c) in the case of any Canadian Loan Party having assets located in the Province of Quebec, any hypothecs and related bonds, debentures and pledges, in form and substance reasonably satisfactory to the Administrative Agent, granting a Lien on the assets of the Canadian Loan Parties to secure the Obligations.

“Canadian Court” has the meaning assigned to such term in the recitals hereto.

“Canadian Court Orders” means the CCAA Initial Order and CCAA Extension Order.

“Canadian Debenture” means the debenture (Ontario) by the Canadian Borrower in favor of the Canadian Agent.

“Canadian Debtor” has the meaning assigned to such term in the recitals hereto.

“Canadian Dollars” means the lawful money of Canada.

“Canadian Guarantee and Collateral Agreement” means that certain Canadian Guarantee and Collateral Agreement dated as of September 15, 2009 among Barzel Industries Canada Inc., the Subsidiaries of Barzel Industries Canada Inc. identified therein and JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian Agent.

“Canadian Loan Party” means any Loan Party that is not a US Loan Party.

“Canadian MEPP” has the meaning assigned to such term in clause (n) of Article VII.

“Canadian Pension Event” means (a) the occurrence of a Termination Event with respect to a Canadian Pension Plan; (b) the failure by Barzel or any Subsidiary to make a required contribution when due to a Canadian Pension Plan, which results in a deemed trust or lien arising pursuant to the PBA against the assets of Barzel or any Subsidiary; (c) the failure to fund all Canadian Pension Plans as required by applicable law; (d) the failure to make on a timely basis all required contributions (including employee contributions made by authorized payroll deductions or other withholdings) to the appropriate funding agency in accordance with all applicable laws and the terms of each Canadian Pension Plan of each Borrower and each Subsidiary; (e) the violation of any material provision of the terms of any Canadian Pension Plan or the

PBA; or (f) the merger of any Canadian Pension Plan with another pension plan or the transfer of assets and liabilities from or to any Canadian Pension Plan to any other Canadian or non-Canadian pension plan, other than a merger or transfer of assets that has been approved by the appropriate regulators or has occurred in connection with the termination of employment of members of a Canadian Pension Plan in the ordinary course.

“Canadian Pension Plan” means a Benefit Plan that is a “registered pension plan” as defined in the ITA that Barzel or any Subsidiary sponsors or is required to contribute to on behalf of its employees or former employees in Canada, whether or not registered.

“Canadian Prime”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Canadian Prime Rate.

“Canadian Prime Rate” means, for any day, the rate of interest per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the greatest of (a) the interest rate per annum publicly announced from time to time by the Administrative Agent as its reference rate in effect on such day at its principal office in Toronto for determining interest rates applicable to commercial loans denominated in Canadian Dollars and made by it in Canada (each change in such reference rate being effective from and including the date such change is publicly announced as being effective), (b) the interest rate per annum equal to the sum of (i) the CDOR Rate on such day (or, if such rate is not so reported on the Reuters Screen CDOR Page, the average of the rate quotes for bankers’ acceptances denominated in Canadian Dollars with a one month term received by the Administrative Agent at approximately 10:00 a.m., Toronto time, on such day (or, if such day is not a Business Day, on the next preceding Business Day) from the Schedule I Reference Lenders) and (ii) 0.50% per annum and (c) 3% per annum.

“Canadian Subsidiary” means any Subsidiary that is organized under the laws of Canada or any Province thereof.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Carve-Out” means (a) prior to the Final Order Entry Date, the “Carve-Out” as defined in the Interim Order and (b) on and after the Final Order Entry Date, the “Carve-Out” as defined in the Final Order.

“Cases” has the meaning assigned to such term in the recitals hereto.

“Cash Balance” has the meaning assigned to such term in Section 2.12(c)(v).

“Cash Balance Limit” has the meaning assigned to such term in Section 2.12(c)(v).

“Cash Collateral” has the meaning assigned to such term in the Interim Order.

“Cash Management Bank” shall mean any Person that is a Lender or the Issuing Bank or an Affiliate of a Lender or the Issuing Bank at the time it provides any Cash Management Services or that is a Lender or an Affiliate of a Lender at any time after it has provided any Cash Management Services.

“Cash Management Obligations” shall mean obligations owed by the Loan Parties to any Cash Management Bank in connection with, or in respect of, any Cash Management Services.

“Cash Management Services” shall mean treasury, depository, overdraft, credit or debit card, including non-card e-payables services, purchase card, electronic funds transfer, automated clearing house fund transfer services and other cash management services.

“CCAA” has the meaning assigned to such term in the recitals hereto.

“CCAA Charge” means the court ordered priority charge granted in the CCAA Initial Order over the Canadian Collateral in an amount not to exceed US\$1,000,000 and otherwise on terms acceptable to the Administrative Agent to secure (a) all reasonable fees and disbursements of Davies Ward Phillips & Vineberg LLP, Canadian legal counsel to the Canadian Debtor, and (b) all reasonable fees and disbursements of the Monitor and the Monitor’s legal counsel.

“CCAA Extension Date” means the date the CCAA Extension Order shall have been issued and entered by the Canadian Court.

“CCAA Extension Order” means an order of the Canadian Court extending the stay of proceeding granted in the CCAA Initial Order in form and substance satisfactory to the Administrative Agent and the Required Lenders.

“CCAA Filing Date” means the date the CCAA Initial Order shall have been issued and entered by the Canadian Court

“CCAA Initial Order” means collectively, the initial order of the Canadian Court issued in the Canadian Case on the CCAA Filing Date, in the form as set out in Exhibit C providing for *inter alia* the granting of the DIP Lenders’ Charge or otherwise in form and substance satisfactory to the Administrative Agent and the Required Lenders, together with all extensions, modifications and amendments thereto, in form and substance satisfactory to the Administrative Agent and the Required Lenders.

“CCAA Plan” means any plan of compromise or arrangement in the Canadian Case, made pursuant to the CCAA.

“CDOR Rate” means, on any date, an interest rate per annum equal to the stated average discount rate applicable to bankers’ acceptances denominated in Canadian Dollars with a term of 30 days (for purposes of the definition of “Canadian Prime Rate”) appearing on the Reuters Screen CDOR Page (or on any successor or substitute page of such Screen, or any successor to or substitute for such Screen, providing rate quotations comparable to those currently provided on such page of such Screen, as determined by the Administrative Agent from time to time) at approximately 10:00 a.m., Toronto time, on such date (or, if such date is not a Business Day, on the next preceding Business Day).

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of Equity Interests representing more than 35% of either the aggregate ordinary voting power or the aggregate equity value represented by the issued and outstanding Equity Interests in Barzel; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of Barzel by Persons who were neither (i) nominated by the board of directors of Barzel (or the nominating committee of such board) nor (ii) appointed by directors so nominated; (c) the acquisition of direct or indirect Control of Barzel by any Person or group; (d) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person other than Barzel of any Equity Interest in Barzel Parent; (e) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person other than Barzel Parent of any Equity Interest in the US Borrower; (f) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person other than the US Borrower of any Equity Interest in the Canadian Borrower; or (g) the occurrence of a “Change of Control” or similar event, however denominated, as defined in the Senior Notes Documents (so long as any Senior Notes shall be outstanding) or any other instrument or agreement evidencing or governing Material Indebtedness, other than, in each case, as the result of an Approved Sale.

“Change in Law” means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

“Chapter 11 Cases” has the meaning assigned to such term in the recitals hereto.

“Chief Restructuring Officer” means Wayne Day as chief restructuring officer in connection with the Cases, or such other chief restructuring officer appointed by the Board of Directors of Barzel as shall be reasonably acceptable to the Administrative Agent.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” means any and all assets and properties of Barzel and the Subsidiaries other than Delta Tubes that are required to be subject to Liens securing any of the Loan Documents Obligations, including all “Collateral” as defined in any Collateral Agreement. For the avoidance of doubt, none of the assets or properties of Delta Tubes is “Collateral” under the Loan Documents.

“Collateral Agreements” means (a) the Guarantee and Collateral Agreement and (b) the Canadian Collateral Documents; provided that, when used in reference to a US Loan Party, the term “Collateral Agreement” shall mean the Guarantee and Collateral Agreement.

“Collateral and Guarantee Requirement” means, at any time, the requirement that:

(a) the Administrative Agent shall have received from Barzel, each Borrower and each other Loan Party counterparts of the Collateral Agreements and other Security Documents (other than the Mortgages), duly executed and delivered on behalf of such Loan Party,

(b) all documents and instruments, including Uniform Commercial Code or other personal property security registry financing statements, required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the Security Documents and perfect such Liens to the extent required by, and with the priority required by this Agreement and by, the Security Documents, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording;

(c) the Administrative Agent shall have received counterparts of a Mortgage with respect to each Mortgaged Property duly executed and delivered by the record owner of such Mortgaged Property; and

(d) each Loan Party shall have obtained all consents and approvals required to be obtained by it in connection with the execution and delivery of all Security Documents to which it is a party, the performance of its obligations thereunder and the granting by it of the Liens thereunder.

The foregoing definition shall not require the creation or perfection of pledges of or security interests in, or the obtaining of title insurance, legal opinions or other deliverables with respect to, particular assets of the Loan Parties, or the provision of Guarantees by any Subsidiary, if and for so long as the Administrative Agent determines, in its sole discretion, that the cost of creating or perfecting such pledges or security interests in such assets or providing such Guarantees (taking into account any adverse tax consequences to each Borrower and its Affiliates (including the imposition of withholding or other material taxes)) or obtaining title insurance, legal opinions or other deliverables in respect of such assets shall be excessive in view of the benefits to be obtained by the Lenders therefrom. The Administrative Agent may grant extensions of

time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any Guarantee by any Subsidiary (including extensions beyond the Effective Date or in connection with assets acquired, or Subsidiaries formed or acquired, after the Effective Date) where it determines that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Security Documents.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, or the dismissal or appointment of the management, of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Debtors” has the meaning assigned to such term in the recitals hereto.

“Default” means any event or condition that constitutes an Event of Default or that upon notice, lapse of time or both would become an Event of Default.

“Delta Tubes” means, collectively, Tubes Delta, Société en Commandite, a Quebec limited partnership, and Tubes Delta Inc., a Part IA Companies’ Act (Quebec).

“Deposit Account Control Agreement” has the meaning assigned to such term in the Guarantee and Collateral Agreement or the Canadian Collateral Documents, as applicable.

“DIP Lenders’ Charge” has the meaning assigned to such term in Section 3.17(b).

“Directors Charge” means the charge provided for in the CCAA Initial Order in favor of the Canadian Borrower’s directors and officers which charge shall be junior to the CCAA Charge but senior to the DIP Lenders’ Charge.

“Disqualified Equity Interest” means, with respect to any Person, any Equity Interest in such Person that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, either mandatorily or at the option of the holder thereof) or upon the happening of any event or condition:

(a) matures or is mandatorily redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), whether pursuant to a sinking fund obligation or otherwise;

(b) is convertible or exchangeable at the option of the holder thereof for Indebtedness or Equity Interests (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interest and cash in lieu of fractional shares of such Equity Interests); or

(c) is redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interest and cash in lieu of fractional shares of such Equity Interests) or is required to be repurchased by such Person or any of its Affiliates, in whole or in part, at the option of the holder thereof;

in each case, on or prior to the date that is six months after the Revolving Maturity Date; provided, however, that an Equity Interest that would not constitute a Disqualified Equity Interest but for terms thereof giving holders thereof the right to require such Person to redeem or purchase such Equity Interest upon the occurrence of an “asset sale” or a “change of control” shall not constitute a Disqualified Equity Interest if any such requirement becomes operative only after repayment in full of all the Loans and all other Loan Documents Obligations that are accrued and payable and the termination of the Revolving Commitments.

“Document” has the meaning assigned to such term in the New York UCC.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“Environmental Laws” means all laws, rules, regulations, codes, guidelines, ordinances, orders, decrees, judgments, injunctions or permits issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources or the management, release or threatened release of any Hazardous Material or to health and safety matters.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities) directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or the presence of any Hazardous Materials in, on or under any property or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the US Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) prior to the effectiveness of the applicable provisions of the Pension Act, the existence with respect to any Plan of an “accumulated funding deficiency” (as defined in Section 412 of the Code or Section 302 of ERISA) or, on or after the effectiveness of the applicable provisions of the Pension Act, any failure by any Plan to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, in each case whether or not waived; (c) the filing pursuant to, prior to the effectiveness of the applicable provisions of the Pension Act, Section 412(d) of the Code or Section 303(d) of ERISA or, on or after the effectiveness of the applicable provisions of the Pension Act, Section 412(c) of the Code or Section 302(c) of ERISA, of an application for a waiver of the minimum funding standard with respect to any Plan; (d) on and after the effectiveness of the applicable provisions of the Pension Act, a determination that any Plan is, or is expected to be, in “at-risk” status (as defined in Section 303(i)(4) of ERISA or Section 430(i)(4) of the Code); (e) the incurrence by the US Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (f) the receipt by the US Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (g) the incurrence by the US Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (h) the receipt by the US Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the US Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA or, on and after the effectiveness of the applicable provisions of the Pension Act, in endangered or critical status, within the meaning of Section 305 of ERISA

“Event of Default” has the meaning assigned to such term in Article VII.

“Exchange Rate” means on any day, for purposes of determining the US Dollar Equivalent of any amount denominated in Canadian Dollars, the rate at which Canadian Dollars may be exchanged into US Dollars at the time of determination on such day as set forth on the Reuters WRLD Page for Canadian Dollars. In the event that such rate does not appear on any Reuters WRLD Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrowers, or, in the absence of such an agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of Canadian Dollars are then being conducted, at or about such time as the Administrative Agent shall elect after determining that such rates shall be the basis for determining the Exchange Rate, on such date for the purchase of US Dollars for delivery two Business Days later; provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative

Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrowers hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its Applicable Lending Office is located, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction referred to in the preceding clause (a), (c) in the case of any Lender (other than an assignee pursuant to a request by the Borrowers under Section 2.20(b)) any withholding tax that is imposed (except for any such tax imposed after the occurrence and during the continuance of an Event of Default) by the United States of America on amounts payable by a Borrower from a location within such jurisdiction to such Lender’s Applicable Lending Office, to the extent such tax is in effect and applicable (assuming the taking by such Borrower of all actions required in order for available exemptions from such tax to be effective) at the time such Lender becomes a party to this Agreement (or designates a new Applicable Lending Office), except, in the case of a Lender, to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the designation of a new lending office (or an assignment), to receive additional amounts with respect to such withholding tax pursuant to Section 2.18, and (d) any withholding tax that is attributable to the failure of such Lender to comply with Section 2.18(e).

“Existing Letter of Credit” means each letter of credit listed on Schedule 2.06A, each of which constitute a “Letter of Credit” under and as defined in the Prepetition Credit Agreement.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Filing Date” has the meaning assigned to such term in the recitals.

“Final Order” means the order of the Bankruptcy Court entered in the Chapter 11 Cases after a final hearing under Bankruptcy Rule 4001(c)(2) or such other procedures so approved by the Bankruptcy Court with respect to the Loan Parties and this Agreement, in form and substance satisfactory to the Lenders, each in their sole discretion, as the same may be amended, modified or supplemented from time to time with the express written joinder or consent of the Administrative Agent, and from which

no appeal or motion to reconsider has been timely filed, or if timely filed, such appeal or motion to reconsider has been dismissed or denied.

“Final Order Entry Date” means the date on which the Final Order shall have been entered on the docket of the Bankruptcy Court.

“Financial Officer” means, with respect to Barzel or a Borrower, the Chief Restructuring Officer, the chief financial officer, principal accounting officer, treasurer or controller of Barzel or such Borrower, respectively. Each reference herein to a Financial Officer of Barzel and the Borrowers shall mean such an officer of any of them who is authorized to deliver the applicable certificate or other document on behalf of all of them and the Administrative Agent and the Lenders shall be entitled to assume that any such officer who delivers such a certificate or other document is so authorized.

“First Day Orders” means all the orders entered by the Bankruptcy Court or the Canadian Court with respect to motions heard by the Bankruptcy Court at the first hearing in the Chapter 11 Cases and by the Canadian Court on the CCAA Filing Date, respectively.

“Foreign Pledge Agreement” means a pledge or charge agreement with respect to each portion of the Collateral that constitutes Equity Interests of a Foreign Subsidiary, in form and substance reasonably satisfactory to the Administrative Agent.

“Foreign Subsidiary” means any Subsidiary that is organized under the laws of a jurisdiction other than the United States of America or any State thereof or the District of Columbia.

“GAAP” means generally accepted accounting principles and practices in the United States of America consistently applied.

“Governmental Approvals” means all authorizations, consents, approvals, licenses and exemptions of, registrations and filings with, and reports to, all Governmental Authorities.

“Governmental Authority” means the government of the United States of America, Canada, any other nation or any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of

such Indebtedness or other obligation of the payment thereof (including pursuant to any “synthetic lease” financing), (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Guarantee and Collateral Agreement” means the Guarantee and Collateral Agreement among Barzel, Barzel Parent, the Borrowers, the Subsidiary Parties and the Administrative Agent, in form and substance satisfactory to the Administrative Agent and the Lenders, together with all supplements thereto.

“Guarantor” or “Guarantors” means, with respect to Obligations of the US Borrower, the Barzel Guarantors (as defined in the Guarantee and Collateral Agreement) and the Canadian Borrower, and with respect to Obligations of the Canadian Borrower, the Barzel Guarantors and the US Borrower.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature, each as regulated pursuant to any Environmental Law.

“Hedging Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock, deferred compensation or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Barzel, the Borrowers or the other Subsidiaries shall be a Hedging Agreement.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of

such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty and (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Indemnitee" has the meaning assigned to such term in Section 9.03(b).

"Intercompany Notes" means the senior secured demand promissory notes evidencing loans by the US Borrower to the Canadian Borrower in an aggregate principal amount of US\$125,000,000, made as of November 15, 2007, which shall be subordinate to the Obligations in right of payment and in priority with respect to the Liens in the Collateral to be created as contemplated hereunder and, in the Interim Order and the CCAA Initial Order.

"Interest Payment Date" means, with respect to interest accrued on any Loan, (a) the last day of each calendar month and (b) the day that such Loan is required to be repaid.

"Interim Order" means the order of the Bankruptcy Court with respect to the Loan Parties and this Agreement, in substantially the form of Exhibit D hereto, in form and substance acceptable to the Lenders in their sole discretion, as the same may be amended, modified or supplemented from time to time with the express written joinder or consent of the Administrative Agent, and from which no appeal or motion to reconsider has been timely filed, or if timely filed, such appeal or motion to reconsider has been dismissed or denied.

"Interim Order Entry Date" means the date on which the Interim Order shall have been entered on the docket of the Bankruptcy Court.

"Interim Reimbursed Amounts" has the meaning assigned to such term in Section 5.18.

"Inventory" has the meaning assigned to such term in the New York UCC.

"Issuing Bank" means the issuer of any Existing Letter of Credit.

"ITA" means the Income Tax Act (Canada), as amended, and any successor thereto, and any regulations promulgated thereunder.

"LC Obligations" means, at any time, the aggregate undrawn face amount of all Existing Letters of Credit at such time.

“Lenders” means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loan Documents” means this Agreement, any promissory notes delivered pursuant to Section 2.11(e), the Collateral Agreements and the other Security Documents.

“Loan Documents Obligations” has the meaning assigned to such term in the Guarantee and Collateral Agreement.

“Loan Parties” means Barzel, the Borrowers and each Subsidiary Party.

“Loans” means the loans made to the Borrowers pursuant to this Agreement.

“Local Time” means (a) with respect to a Loan or Borrowing denominated in US Dollars (other than any such Loan to or Borrowing of the Canadian Borrower), New York City time, and (b) with respect to a Loan or Borrowing denominated in Canadian Dollars or any Loan or Borrowing denominated in US Dollars of the Canadian Borrower, Toronto time.

“Lockbox Agreement” has the meaning assigned to such term in the Guarantee and Collateral Agreement.

“Long-Term Indebtedness” means any Indebtedness that, in accordance with GAAP, constitutes (or, when incurred, constituted) a long-term liability.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, operations, prospects or condition, financial or otherwise, of Barzel, the Borrowers and the other Subsidiaries, taken as a whole, (b) the ability of any Loan Party to perform any of its obligations under any Loan Document, (c) the material rights of or material benefits available to the Lenders under any Loan Document, (d) the legality, validity or enforceability of any Loan Document or the Bankruptcy Court Orders or the Canadian Court Orders and the Bid Procedures Orders, (e) the value of the Collateral or (f) the ability of the Administrative Agent, the Canadian Agent and the Lenders to enforce the Loan Documents, in each case, other than such effects as a result solely from the commencement of the Cases, the continuation of the Cases or the Approved Sale.

“Material Indebtedness” means Indebtedness (other than the Loans), or obligations in respect of one or more Hedging Agreements, of any one or more of Barzel, the Borrowers and the Subsidiaries in an aggregate amount exceeding US\$1,000,000 (such amount to be determined, with respect to any Indebtedness, without duplication for any Guarantees thereof). For purposes of determining Material Indebtedness, the “amount” of the obligations of Barzel, a Borrower or any other Subsidiary in respect of any Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that Barzel, such Borrower or such Subsidiary would be required to pay if such Hedging Agreement were terminated at such time.

“MEPP Liability” has the meaning assigned to such term in clause (n) of Article VII.

“Monitor” means Deloitte & Touche Inc. in its capacity as court appointed monitor in the Canadian Case.

“Moody’s” means Moody’s Investors Service, Inc.

“Mortgage” means a mortgage, deed of trust, debenture, hypothec, assignment of leases and rents, leasehold mortgage or other security document granting a Lien on any Mortgaged Property to secure the Obligations. Each Mortgage shall be satisfactory in form and substance to the Administrative Agent.

“Mortgaged Property” means each parcel of real property and the improvements thereto owned by a Loan Party and identified on Schedule 3.05 as a Mortgaged Property.

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Insurance/Condemnation Proceeds” means an amount equal to: (i) any cash payments or proceeds received by Barzel or any of its Subsidiaries (a) under any casualty insurance policy in respect of a covered loss thereunder, or (b) as a result of the taking of any assets of Barzel or any of its Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking; minus (ii) any actual and reasonable costs incurred by Barzel or any of its Subsidiaries in connection with the adjustment or settlement of any claims of Barzel or such Subsidiary in respect thereof including, real estate transfer taxes, broker’s commissions and other customary settlements expenses connected thereto.

“New York UCC” means the Uniform Commercial Code as from time to time in effect in the State of New York.

“Norwood” means the real property, and edifices and fixtures related thereto, located at 1050-1080 University Avenue, Norwood, Massachusetts.

“Obligations” means the obligations of the Borrowers and the other Loan Parties under this Agreement, including, without limitation, (a) the due and punctual payment by the Borrowers of (i) the principal of and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans (including Protective Advances), when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) all other monetary obligations of the Borrowers and the other Loan Parties under this Agreement or any other Loan Document, including in respect of fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including any monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or similar proceeding, regardless of whether allowed or allowable in such proceeding), and (iii) Cash Management Obligations, (b) the due and punctual performance of all other obligations of the Borrowers and the other Loan Parties under or pursuant to this Agreement and each other Loan Document, and (c) the due and punctual payment and performance of all of the obligations of each other Loan Party under or pursuant to each of the other Loan Documents.

“Other Taxes” means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

“Participant” has the meaning set forth in Section 9.04(c)(i).

“PBA” means, collectively, the Pension Benefits Act (Ontario), an Act respecting supplemental pension plans (Quebec) and similar acts of each Province in Canada or to the extent applicable the federal jurisdiction, and all regulations thereunder as amended from time to time.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Pension Act” means the Pension Protection Act of 2006, as amended from time to time.

“Perfection Certificate” means a certificate in the form of Exhibit E or any other form approved by the Administrative Agent.

“Permitted Discretion” means a determination made by the Administrative Agent in the exercise of its reasonable credit judgment and consistent with its policies applicable to asset based lending transactions of this type.

“Permitted Encumbrances” means:

- (a) Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 5.05, and Liens imposed on a real property for property taxes, where the recourse with respect thereto is limited to the taking

of such real property and such real property is not material to the business of Barzel, the Borrowers and the other Subsidiaries;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 5.05;

(c) Liens arising by virtue of any statutory, common law or contractual provisions relating to bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository bank;

(d) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations or in respect of health, disability, retirement or other employee benefits obligations, and deposits made in the ordinary course of business securing obligations to insurance carriers under insurance or self-insurance arrangements;

(e) deposits to secure the performance of bids, trade contracts, leases, regulatory or statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(f) judgment liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article VII;

(g) easements, zoning restrictions, covenants, conditions, restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of either Borrower or any Subsidiary; and

(h) liens permitted pursuant to the US Bankruptcy Orders or Canadian Court Orders;

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness other than the Loans.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or Canada (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America or Canada), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody's;

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or Canada, or any State or Province thereof, which has a combined capital and surplus and undivided profits of not less than US\$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; and

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least US\$5,000,000,000.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which Barzel, either Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Prepetition Agent" has the meaning assigned to such term in the recitals hereto.

"Prepetition Collateral" means all collateral upon which any Borrower or any other Loan Party granted a Lien therein or purported to grant a Lien therein pursuant to, in connection with or under the Prepetition Credit Agreement, including without limitation, (i) collateral in or upon which a Lien or other security interest has been granted in favor or for the benefit of the Prepetition Agent and the Prepetition Lenders in connection with, pursuant to, or under the Prepetition Credit Agreement or any related document, and (ii) any Prepetition Collateral provided under the Prepetition Credit Agreement or any document related thereto that existed as of the Filing Date, and all prepetition, and subject to Section 552 of the Bankruptcy Code, postpetition proceeds, products, offspring, rents and profits.

"Prepetition Credit Agreement Obligations" means all indebtedness, obligations and liabilities of the Borrowers and their Subsidiaries to the Prepetition Agent and the Prepetition Lenders incurred prior to the Filing Date arising from or related to the

Prepetition Credit Agreement, including the LC Obligations, fees, interest, make-whole amounts, premiums, expenses, indemnities and reimbursement obligations due thereunder (including, without limitation, any attorneys', accountants', financial advisors' and other fees and expenses that are chargeable or reimbursable pursuant to the Prepetition Credit Agreement) and interest thereon accruing both before and after the Filing Date, whether such indebtedness, obligations or liabilities are direct or indirect, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising.

"Prepetition Indenture Trustee" means The Bank of New York Mellon, as successor to The Bank of New York, as trustee under the Senior Notes Indenture.

"Prepetition Lender" has the meaning assigned to such term in the recitals hereto.

"Prepetition Obligations" means Obligations under the Prepetition Obligations Documents.

"Prepetition Obligations Documents" means the Prepetition Credit Agreement, the Senior Notes Documents and any other agreements or documents evidencing the Prepetition Credit Agreement Obligations and the Senior Notes Documents.

"Prime Rate" means (a) in the case of an ABR Borrowing in US Dollars by the US Borrower, the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A., as its prime rate in effect at its principal office in New York City, and (b) in the case of an ABR Borrowing in US Dollars by the Canadian Borrower, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its reference rate in effect at its principal office in Toronto for loans made in Canada and denominated in US Dollars. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"Protective Advance" has the meaning assigned to such term in Section 2.04.

"Protective Advance Exposure" means, at any time, the sum of the principal amounts of all outstanding Protective Advances at such time. The Protective Advance Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the total Protective Advance Exposure at such time.

"Register" has the meaning set forth in Section 9.04(b).

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, trustees, officers, employees, agents attorneys, and advisors of such Person and such Person's Affiliates.

“Reports” means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits pertaining to the Borrowers’ assets from information furnished by or on behalf of the Borrowers, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports (except where prepared for internal purposes of the Administrative Agent) shall, upon request by any Lender, be distributed to such Lender by the Administrative Agent.

“Required Lenders” means, at any time, Lenders having Revolving Exposures and unused Revolving Commitments representing more than 50% of the sum of the total Revolving Exposures and unused Revolving Commitments at such time; provided, that “Required Lenders” shall include both JPMorgan Chase Bank, N.A. and CIBC Inc. at all times that both (a) JPMorgan Chase Bank, N.A. and its Affiliates alone would otherwise constitute the Required Lenders and (b) the Revolving Commitment held by CIBC Inc. and its Affiliates is not less than 10% of the aggregate Revolving Commitments.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in Barzel, a Borrower or any other Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in Barzel, a Borrower or any other Subsidiary.

“Revolving Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Revolving Maturity Date and the date of termination of the Revolving Commitments.

“Revolving Borrowing” means a Borrowing consisting of Revolving Loans.

“Revolving Commitment” means, with respect to each Lender, the commitment of such Lender to make Revolving Loans and Protective Advances hereunder, expressed as an amount representing the maximum aggregate permitted amount of such Lender’s Revolving Exposure hereunder, as such commitment may be (a) reduced or increased from time to time pursuant to Section 2.10 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Revolving Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption pursuant to which such Lender shall have assumed or provided its Revolving Commitment, as applicable. The initial aggregate amount of the Lenders’ Revolving Commitments on the Effective Date is US\$30,000,000.

“Revolving Exposure” means, with respect to any Lender at any time, the sum of the US Dollar Equivalents of the outstanding principal amount of such Lender’s Revolving Loans and Protective Advance Exposure at such time.

“Revolving Lender” means a Lender with a Revolving Commitment or, if the Revolving Commitments have terminated or expired, a Lender with Revolving Exposure.

“Revolving Loan” means a Loan made pursuant to Section 2.01.

“Revolving Maturity Date” means the earliest of (i) in any case, December 11, 2009; (ii) if either the Final Order Entry Date or the CCAA Extension Date has not occurred, the date thirty (30) days after the Filing Date, or (iii) the date of consummation of an Approved Sale.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

“Sale Milestones” means, (a) in the Chapter 11 Case, (i) prior to the Final Order Entry Date, the milestones in the Interim Order set forth in the paragraph entitled “Sale Milestones” and (ii) on and after the Final Order Entry Date, the milestones in the Final Order set forth in the paragraph entitled “Sale Milestones” and (b) in the Canadian Case, the milestones set forth in the CCAA Initial Order or in such other order of the Canadian Court, as may be applicable.

“Samuel Son & Co Lease” means that certain Lease between American Steel and Aluminum Corporation and Samuel Son & Co., Inc. dated as of February 13, 2009.

“Schedule I Lender” means any Lender named on Schedule I to the Bank Act (Canada).

“Schedule I Reference Lenders” means one or more Schedule I Lenders agreed upon by the Canadian Borrower and the Administrative Agent from time to time.

“Secured Party” means (a) the Lenders, (b) the Administrative Agent, (c) the Canadian Agent, (d) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document, (e) the successors and assigns of each of the foregoing and (f) any Person deemed a “DIP Lender” or granted the benefit of any “DIP Lien” under and as defined in any Bankruptcy Court Order.

“Security Documents” means the Collateral Agreements, the Foreign Pledge Agreements, the Mortgages and each other security agreement or other instrument or document executed and delivered pursuant to Section 5.15 to secure any of the Obligations.

“Senior Noteholders” means the holders of the Senior Notes.

“Senior Notes” means the 11.5% Senior Secured Notes due 2015 issued by the US Borrower on November 15, 2007 pursuant to the Senior Notes Indenture.

“Senior Notes Documents” means the Senior Notes Indenture and all other instruments, agreements and other documents evidencing or governing the Senior Notes, providing for any Guarantee or security interest or other right in respect thereof, affecting the terms of the foregoing or entered into in connection therewith and all schedules, exhibits and annexes to each of the foregoing.

“Senior Notes Indenture” means the Indenture dated as of November 15, 2007, among Barzel, Barzel Finco Inc., as the issuer, certain other Subsidiaries party thereto and The Bank of New York Mellon, as successor to The Bank of New York, as the trustee, under which the Senior Notes are issued.

“Senior Notes Obligations” means the “Notes Obligations” as defined in the Senior Notes Indenture.

“Special Purpose Holdco” means a Subsidiary that (a) is not engaged in any business or activity other than the ownership of Equity Interests in any Subsidiary that is not a wholly-owned Subsidiary or any Person that is not a Subsidiary, and activities incidental thereto, (b) does not own any assets other than the Equity Interests referred to in clause (a) above and any contract rights under joint venture or other similar agreements relating thereto and (c) owes no Indebtedness and has no other liabilities (other than liabilities imposed by law, including tax liabilities, and other liabilities incidental to its existence and permitted business and activities).

“Subordinated Indebtedness” of any Person means any Indebtedness of such Person that is subordinated in right of payment to any other Indebtedness of such Person.

“subsidiary” means, with respect to any Person (the “parent”) at any date, any other Person the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other Person (a) of which Equity Interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

“Subsidiary” means any subsidiary of Barzel other than 632422 N.B. Ltd., Hencorp LLC, a Delaware limited liability company, and Chriscorp ULC, a Nova Scotia unlimited liability company.

“Subsidiary Party” means each Subsidiary other than any Subsidiary that is not a wholly-owned Subsidiary, where the organizational documents thereof or any related joint venture or similar agreements prohibit such Subsidiary from becoming a party to the Collateral Agreements without the prior consent of the equity holders thereof (other than Barzel and the Subsidiaries).

“Superpriority Claim” means a claim against the US Debtors in any of the Chapter 11 Cases which is an administrative expense claim having priority over any or all administrative expenses of the kind specified in Section 503(b) or 507(b) of the Bankruptcy Code.

“Tax Refund Proceeds” means any Cash payments or proceeds received by Barzel or any of its Subsidiaries in respect of refund or any reduction of, or credit against, any of its liabilities for Taxes.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest and penalties imposed in connection with any liability for any of the foregoing.

“Termination Event” means (a) the termination or partial termination of a Canadian Pension Plan by Barzel or any Subsidiary, (b) the institution of proceedings by any Governmental Authority to terminate in whole or in part or have a third party appointed to administer a Canadian Pension Plan or (c) any other event or condition which might constitute grounds for the termination of, winding up or partial termination or winding up or the appointment of a third party to administer any Canadian Pension Plan.

“Thirteen Week Forecast” means a 13-week cash flow statement setting forth all receipts and disbursements for the 13-week period ending on December 11, 2009, including a line item specifying the projected amount of cash and outstanding Loans as of the end of each week covered thereby.

“Transaction Costs” means fees and expenses incurred in connection with the Transactions on the Effective Date.

“Transactions” means (a) the filing of the Chapter 11 Cases and the commencement of the Canadian Case, (b) the execution, delivery and performance by each Loan Party of the Loan Documents to which it is to be a party, the borrowing of Loans, the transactions contemplated by the Loan Documents, the use of the proceeds thereof, (c) the execution, delivery and performance of all documentation in connection with any of the foregoing by each Loan Party or Subsidiary party thereto, and (d) the payment of all fees and expenses in connection with the foregoing.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Alternate Base Rate or the Canadian Prime Rate.

“US Borrower” means Barzel Finco Inc., a Delaware corporation.

“US Collateral” means all of the property, assets, rights and undertaking of the US Debtors.

“US Debtors” has the meaning assigned to such term in the recitals hereto.

“US Dollars” or “US\$” refers to lawful money of the United States of America.

“US Dollar Equivalent” means, on any date of determination, (a) with respect to any amount in US Dollars, such amount and (b) with respect to any amount in Canadian Dollars, the equivalent in US Dollars of such amount, determined by the Administrative Agent pursuant to Section 1.05 using the Exchange Rate with respect to such currency at the time in effect under the provisions of such Section.

“US Loan Party” means any Loan Party that is organized under the laws of the United States of America, any State thereof or the District of Columbia.

“US Subsidiary” means any Subsidiary that is organized under the laws of the United States of America, any State thereof or the District of Columbia.

“Variance” means, with respect to the Approved Budget, a maximum cumulative variance with respect to projected borrowings in each then-current Approved Budget in the amount of US\$1,000,000, aggregate across line items and cumulative for the period of the Approved Budget, provided that in no event shall the Variance be permitted, if after giving effect thereto, the aggregate amount of the Loans outstanding plus the LC Obligations would exceed the aggregate Revolving Commitment at such time.

“wholly-owned”, when used in reference to a subsidiary of any Person, means any subsidiary of such Person all the Equity Interests in which (other than directors’ qualifying shares and other nominal amounts of Equity Interests that are required to be held by other Persons under applicable law) are owned, controlled or held by such Person, another wholly-owned subsidiary of such Person or any combination thereof.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., an “ABR Loan”). Borrowings also may be classified and referred to by Type.

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein),

(b) any definition of or reference to any statute, regulation or other law herein shall be construed (i) as referring to such statute, regulation or other law as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor statutes, regulations or other laws) and (ii) to include all official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04. Accounting Terms; GAAP; Pro Forma Calculations.

(a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if a Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrowers that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

(b) All pro forma computations required to be made hereunder to give effect to any investment or other transaction shall be calculated after giving pro forma effect thereto (and any other such transaction consummated since the date as of which, or since the first day of the period for which, such pro forma computation is being made and on or prior to the date of such computation) as if such transaction had occurred on such date (in the case of pro forma computations as of a specified date) or on the first day of such period (in the case of pro forma computations for a specified period), and, to the extent applicable, the historical earnings and cash flows associated with the assets acquired or disposed of and any related incurrence or reduction of Indebtedness, but shall not take into account any projected synergies or similar benefits expected to be realized as a result of any such transaction.

SECTION 1.05. Currency Translation. The Administrative Agent shall determine the US Dollar Equivalent of any Borrowing denominated in Canadian Dollars as of the date on which such Borrowing is made and as of the last Business Day of each subsequent calendar quarter, in each case using the Exchange Rate for Canadian Dollars in relation to US Dollars in effect on the last Business Day of the calendar quarter preceding the date of such Borrowing (or, if such Borrowing occurs on the last Business Day of a calendar quarter, on such Business Day) and as of the last Business Day of such subsequent calendar quarter, as the case may be, and each such amount shall be the US

Dollar Equivalent of such Borrowing until the next required calculation thereof pursuant to this sentence. The Administrative Agent shall notify the Borrowers and the Lenders of each calculation of the US Dollar Equivalent of each Borrowing.

SECTION 1.06. Status of Obligations.

The Loan Documents Obligations are hereby designated as “senior indebtedness” and as “designated senior indebtedness” under and in respect of any indenture or other agreement or instrument under which Subordinated Indebtedness is outstanding and are further given all such other designations as shall be required under the terms of any such Subordinated Indebtedness in order that the Lenders or the Administrative Agent may have and exercise any payment blockage or other remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Indebtedness.

ARTICLE II

The Credits

SECTION 2.01. Revolving Commitments. (a) Subject to the terms and conditions set forth herein and subject to the Bankruptcy Court Orders, and the Canadian Court Orders, each Lender agrees from time to time during the Revolving Availability Period to (a) make Revolving Loans denominated in US Dollars to the US Borrower and (b) make Revolving Loans denominated in US Dollars or Canadian Dollars to the Canadian Borrower, in each case, in an aggregate principal amount that will not result in (i) such Lender’s Revolving Exposure exceeding such Lender’s Revolving Commitment or (ii) the sum of the aggregate Revolving Exposures of all Lenders plus the LC Obligations exceeding the lesser of (x) the aggregate Revolving Commitments then in effect and (y) the aggregate Revolving Exposures plus the LC Obligations set forth in the then current Approved Budget for such week, subject to the Variance. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans.

(b) Notwithstanding the foregoing, prior to the occurrence of both the Final Order Entry Date and the expiration of the Canadian Appeal Period, the Lenders shall not be obligated to make any Loans to the Borrowers in an aggregate principal amount exceeding the lesser of (1) US\$17,500,000 and (2) the sum of (A) US\$ 7,000,000, (B) an amount equal to the aggregate Interim Reimbursed Amounts applied to repay the Prepetition Credit Agreement Obligations pursuant to Section 5.18 hereto, and (C) the amount of any Loan deemed requested pursuant to Section 2.03(b) (it being understood that the limitations contained in this Section 2.01(b), for the time periods contained herein, shall not be subject to increase by the Variance), in each case, to the extent authorized by the Interim Order and CCAA Initial Order.

SECTION 2.02. Loans and Borrowings. (a) Each Loan shall be made as part of a Borrowing consisting of Loans of the same Type and currency made by the Lenders ratably in accordance with their respective Revolving Commitments. The failure

