

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW HAMPSHIRE

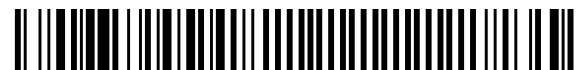
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In re: : **Chapter 11**
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GT ADVANCED TECHNOLOGIES INC., et al., : **Case No. 14-11916-HJB**
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Debtors.¹ : **Jointly Administered**
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: **Re: Docket No. 1487**
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**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a), 363(b),
AND 364 AND BANKRUPTCY RULE 6004(h) APPROVING PROCEDURES
FOR SOLICITATION OF GT NOTEHOLDERS TO PARTICIPATE IN
PROPOSED DEBTOR IN POSSESSION FINANCING**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, “GTAT” or the “Debtors”), pursuant to sections 105(a), 363(b), and 364 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 6004(h) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), requesting entry of an order approving the procedures (the “Solicitation Procedures”) set forth in Exhibit 1 hereto for the solicitation (the “Solicitation”) of holders of GT’s 3.00% Senior Convertible Notes due 2017 and 3.00% Senior Convertible Notes due 2020 (collectively, the “Pre-Petition Convertible Notes”) to participate in the proposed DIP financing described in that certain Commitment Letter, dated March 17, 2015 (the “Commitment Letter”) between GT and certain holders of Pre-Petition Convertible Notes, all as more fully described in the Motion; and the Court having jurisdiction to

¹ The Debtors, along with the last four digits of each debtor’s tax identification number, as applicable, are: GT Advanced Technologies Inc. (6749), GTAT Corporation (1760), GT Advanced Equipment Holding LLC (8329), GT Equipment Holdings, Inc. (0040), Lindbergh Acquisition Corp. (5073), GT Sapphire Systems Holding LLC (4417), GT Advanced Cz LLC (9815), GT Sapphire Systems Group LLC (5126), and GT Advanced Technologies Limited (1721). The Debtors’ corporate headquarters are located at 243 Daniel Webster Highway, Merrimack, NH 03054.

² Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Motion.



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consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, including the waiver of any stay imposed by Bankruptcy Rule 6004(h); and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED. All objections to the Motion are overruled.
2. The Solicitation Procedures are approved.
3. GTAT is authorized to commence and conduct the Solicitation pursuant to the Solicitation Procedures, attached hereto as Exhibit 1.
4. GTAT is authorized to (a) adopt, as necessary, any additional procedures and prepare and distribute any additional documents for the Solicitation that are substantially consistent with the provisions of the Term Sheet attached to the Commitment Letter and (b) modify, vary, amend, or grant exceptions to the Solicitation Procedures to the extent necessary to implement the Proposed Financing with the reasonable consent of the Majority Backstop Lenders.

5. The Debtors are authorized to incur and pay fees and expenses to the Information Agent in connection with the Solicitation not otherwise expressly authorized by the KCC Retention.

6. The Debtors are further authorized to take any and all actions necessary or appropriate to effectuate the relief granted pursuant to this Order in accordance with the Motion and to conduct the Solicitation.

7. The Court has not reviewed or approved the financial or diligence information with respect to the Debtors being provided to the Eligible Parties (as defined in the Solicitation Procedures) in connection with the Solicitation, and all rights of such Eligible Parties with respect to any such information are preserved.

8. Pursuant to Bankruptcy Rule 6004(h), this Order shall not be stayed and is effective immediately upon its entry.

9. The requirement set forth in LBR 7102(b)(2) that any motion filed shall have an accompanying memorandum of law is waived.

10. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: April 2, 2015
Manchester, NH

/s/ Henry J. Boroff
HONORABLE HENRY J. BOROFF
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Solicitation Procedures

GTAT

PROPOSED SOLICITATION PROCEDURES³

- 1) The record date for the offering to holders of the Pre-Petition Convertible Notes that are not Commitment Parties (the “Other Pre-Petition Convertible Noteholders”) of an opportunity to subscribe for up to their respective pro rata portions of DIP Loans will be March 13, 2015 (the “Record Date”), the date on which the Debtors filed an amended motion seeking approval of certain aspects of the Commitment Letter as set forth therein.
- 2) The solicitation will be made only to Other Pre-Petition Convertible Note Holders as of the Record Date that are: (A) a qualified institutional buyer (“QIB”), as such term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (B) an accredited institutional investor within the meaning of Rule 501(a)(1), (2), (3) or (7) or an entity in which all of the equity investors are such “accredited institutional investors” under the Securities Act (“AII”) (Other Pre-Petition Convertible Noteholders that are either a QIB or an AII are referred to herein as “Eligible Parties”). For the avoidance of doubt, under no circumstances may a natural person be an Eligible Party. Commencement of the solicitation will occur immediately after entry by the Bankruptcy Court of an order (the “Solicitation Procedures Order”) reasonably acceptable to the Majority Backstop Lenders and the Debtors approving: these solicitation procedures, the conduct of the solicitation process by the Debtors with the assistance of Kurtzman Carson Consultants LLC, the Debtors’ information agent (the “Information Agent”), in the implementation of these procedures by the Debtors, provided that, in the event the Bankruptcy Court fails to enter the Solicitation Procedures Order, the Debtors and the Majority Backstop Lenders will work in good faith to establish reasonable solicitation procedures so long as the incremental cost to the Debtors for implementing such procedures will not exceed \$200,000. The Debtors will file a motion seeking entry of the Solicitation Procedures Order no later than March 19, 2015 and to be heard on April 2, 2015 (subject to court availability).
- 3) The Debtors will commence the solicitation process on or about April 3, 2015 by (A) issuing a press release or filing a Form 8-K with the SEC announcing the commencement of and briefly describing the solicitation process and directing interested Other Pre-Petition Convertible Noteholders to the Information Agent and (B) using reasonable efforts to send using such delivery method reasonably satisfactory to the Majority Backstop Lenders and the Debtors (including, if reasonably practicable, via the indenture trustee) to as many of the Other Pre-Petition Convertible Noteholders who are Eligible Parties as is reasonably practicable under the circumstances a notice in form reasonably satisfactory to the Majority Backstop Lenders and the Debtors (the “Notice”) (i) describing the proposed DIP Financing, (ii) providing instructions pursuant to which each Other Pre-Petition Convertible Noteholder can participate and fund up to its pro rata share of the DIP Financing (including wiring instructions to an escrow account to be established by the proposed Administrative Agent for the DIP Financing), provided that the minimum participation amount by any Other Pre-Petition Convertible Noteholder and any of its affiliates taken together will be \$350,000 (the

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Capitalized terms used in these Proposed Solicitation Procedures that are not defined shall have the meanings provided in the Commitment Letter.

“Minimum Condition”), (iii) identifying certain of the Debtors’ recent filings with the SEC available on EDGAR (including the Form 8-K filed on March 3, 2015 disclosing diligence information regarding the DIP Financing provided to the Backstop Lenders) and a link to the docket of the Debtors’ Chapter 11 cases and (iv) providing the form of subscription to participate in the DIP Financing and a signature page to the proposed DIP Financing credit agreement, which shall include a representation to the effect that such participant (1) is an Eligible Party, (2) is sophisticated with respect to decisions to acquire assets of the type represented by the DIP Loans and either it, or the entity exercising discretion in making its decision to participate in the funding of the DIP Loans, is experienced in acquiring assets of such type, (3) has received a copy of the Term Sheet in respect of the DIP Loans and has received, or has been accorded the opportunity to receive or have access to, to the extent available, copies of the most recent publicly available annual and quarterly financial statements of the Debtors and such other documents and information as it deems appropriate to make its own credit analysis and decision to participate in the funding of such DIP Loans and (4) has, independently and without reliance any other DIP Lender or on the Debtors and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to participate in the funding of such DIP Loans.

- 4) The solicitation process will expire after 20 days, provided that the Debtors may extend the expiration date by public announcement in a press release or Form 8-K. If the solicitation is commenced on April 3, 2015 and not extended, the expiration date would be April 24, 2015 (the “Expiration Date”).
- 5) Any Other Pre-Petition Convertible Noteholder as of the Record Date that is an Eligible Party that wants to participate as a lender in the DIP Financing must cause an executed subscription form and an executed signature page to the proposed DIP Financing credit agreement to be delivered on or prior to the Expiration Date to the Information Agent in accordance with the instructions in the Notice and cause the amount of the financing to be funded by such Other Pre-Petition Convertible Noteholder as reflected in the subscription form to be sent by wire transfer of immediately available federal funds to the escrow account established by the proposed Administrative Agent for the DIP Financing. The subscription form will require each Other Pre-Petition Convertible Noteholder that wishes to participate to provide a representation and warranty that they owned Pre-Petition Convertible Notes as of the Record Date and the principal amount of Pre-Petition Convertible Notes owned as of the Record Date together with the amount of the DIP Financing being funded.
- 6) Each Other Pre-Petition Convertible Noteholder may fund up to that amount of the DIP Financing equal to a fraction (expressed as a percentage) the numerator of which is the principal amount of Pre-Petition Convertible Notes owned by such party as of the Record Date and the denominator of which is the aggregate outstanding principal amount of all Pre-Petition Convertible Notes, provided that such amount is not less than the Minimum Condition. The subscription form will set forth the aggregate outstanding principal amount of all Pre-Petition Convertible Notes. Other Pre-Petition Convertible Noteholders will not have oversubscription rights in the solicitation process. From the date of entry of the Solicitation Procedures Order until the Expiration Date, no Other Convertible Pre-Petition Noteholder shall transfer, sell or assign any of its participation as a Lender in the DIP Loans such that such Other Convertible Pre-Petition Noteholder’s portion of the DIP Loans shall be

in an amount less than the Minimum Condition (after giving effect to all such transfers, sales and assignments during such period) and any such transfer, sale or assignment which would result in such amount being less than the Minimum Condition shall be deemed null and void.

- 7) Other Pre-Petition Convertible Noteholders that by the Expiration Date do not to return the subscription form and signature page to the Information Agent and send by wire their proposed amount of funding to the escrow account established by the proposed Administrative Agent or otherwise do not meet the Minimum Condition will not be permitted to participate as lenders in the DIP Financing. The Debtors in consultation with the Administrative Agent shall determine whether any Other Pre-Petition Convertible Noteholder is an Eligible Party, has made the representations referenced above, has properly executed and delivered the required documentation and funded their proposed amount of the DIP Financing and whether to reject or accept any subscription to participate that has not been properly completed and delivered.
- 8) Subject to entry of an order by the Bankruptcy Court approving the proposed DIP Financing and satisfaction of any conditions precedent in the proposed DIP Financing credit agreement, on the Closing Date the Administrative Agent will disburse the funds in its escrow account funded by participating Other Pre-Petition Convertible Noteholders to the Debtors in accordance with such credit agreement and other relevant documentation relating to the DIP Financing and record the loans in a register for the DIP Financing.
- 9) If the Commitment Letter terminates, the DIP Financing otherwise fails to close or the Debtors terminate the solicitation process, the subscription forms submitted by participating Other Pre-Petition Convertible Noteholders will terminate and the Administrative Agent will immediately return by wire funds transferred by such Other Pre-Petition Convertible Noteholders to the escrow account.
- 10) The Bankruptcy Court has not reviewed or approved the financial or diligence information with respect to the Debtors being provided to the Eligible Parties (as defined in the Solicitation Procedures) in connection with the Solicitation, and all rights of such Eligible Parties with respect to any such information are preserved.