
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): October 1, 2012

U.S. Silica Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35416
(Commission
File Number)

26-3718801
(IRS Employer
Identification No.)

8490 Progress Drive, Suite 300, Frederick, MD
(Address of principal executive offices)

21701
(Zip Code)

Registrant's telephone number, including area code: (800) 345-6170

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

William A. White and Donald A. Merrill

On October 1, 2012, U.S. Silica Holdings, Inc. (the “Company”) announced the retirement of William A. White as the Chief Financial Officer of the Company effective as of December 31, 2012. On January 1, 2013, Donald A. Merrill, who was appointed Vice President of Finance of the Company on October 1, 2012, will become the Chief Financial Officer of the Company. Prior to joining the Company, Mr. Merrill, age 48, had served as Senior Vice President and Chief Financial Officer of Myers Industries Inc. from January 2006 through August 2012. Prior to serving at Myers Industries, Mr. Merrill held the role of Vice President and Chief Financial Officer, Rubbermaid Home Products Division at Newell Rubbermaid Inc. from 2003 through 2006. No decisions have been made at this time with respect to compensation arrangements for Mr. Merrill when he becomes the Chief Financial Officer, but any required compensation information will be disclosed by the Company once determined. In connection with his retirement, Mr. White will be entitled to receive the severance benefits set forth in his Employment Agreement dated December 21, 2011, a copy of which has been filed as Exhibit 10.23 to the Company’s Amendment No. 5 to the Registration Statement on Form S-1 filed December 29, 2011 (File No. 333-175636) and is incorporated herein by reference.

To ensure an orderly transition of Mr. White’s responsibilities, Mr. White and U.S. Silica Company, a wholly-owned subsidiary of the Company (“U.S. Silica”), have entered into a Consulting Agreement, effective as of January 1, 2013, pursuant to which Mr. White will provide financial and other consulting services as requested by U.S. Silica through December 31, 2013. Mr. White has agreed to not compete with U.S. Silica during the term of the Consulting Agreement and to not disclose confidential information relating to U.S. Silica obtained by him. In consideration for Mr. White’s consulting services and confidentiality and non-compete covenants, Mr. White will be entitled to receive \$1,500 for each day he provides services to U.S. Silica; provided that U.S. Silica has agreed to pay Mr. White a minimum of \$15,000 per calendar quarter notwithstanding the failure of U.S. Silica to utilize Mr. White’s services to such extent in such calendar quarter.

Brian Slobodow

On October 1, 2012, the Company announced that Brian Slobodow, the Company’s Chief Administrative Officer, will resign as an executive officer of the Company effective October 8, 2012 to become an operating executive of Golden Gate Capital or one of its affiliates. To ensure a smooth transition, Mr. Slobodow will continue as an employee of the Company through December 31, 2012 (the “Transition Period”).

In connection with Mr. Slobodow’s departure from the Company, Mr. Slobodow, the Company and U.S. Silica entered into a Separation and Transition Agreement, dated October 1, 2012, pursuant to which Mr. Slobodow will (1) continue to receive his current compensation and benefits through the end of the Transition Period (but all such amounts will be reimbursed to the Company by Golden Gate Capital or one of its affiliates) and (2) receive a payout under the Company’s performance-based cash incentive program for 2012 if the targets are achieved, prorated to reflect his service to the Company as an executive officer through October 7, 2012 and payable when such awards become calculable in early 2013. In consideration for these payments, Mr. Slobodow (a) reaffirmed his confidentiality, non-disparagement, non-competition and non-solicitation obligations to the Company and (b) agreed to terminate his employment agreement.

Mr. Slobodow will continue to serve on the Company's board of directors (the "Board") until such time as the Company determines not to re-nominate him, or earlier if Golden Gate Capital requests him to resign. In lieu of receiving an annual cash retainer in connection with his continued service on the Board, Mr. Slobodow will retain the equity awards that he was granted during his service as an employee of the Company, and all remaining unvested awards as of January 1, 2013 (options to purchase 89,992 shares at a weighted average exercise price of \$14.11) will now vest equally over the three year time period beginning January 1, 2013.

In connection with the foregoing, the Company issued a press release, which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Consulting Agreement, effective as of January 1, 2013, by and between U.S. Silica Company and William A. White.
10.2	Separation and Transition Agreement, dated October 1, 2012, by and between U.S. Silica Holdings, Inc., U.S. Silica Company and Brian Slobodow.
99.1	Press release dated October 1, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 1, 2012

U.S. SILICA HOLDINGS, INC.

/s/ Bryan A. Shinn

Bryan A. Shinn

President and Chief Executive Officer

EXHIBIT INDEX

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99.1	Press release dated October 1, 2012.

CONSULTING AGREEMENT

This CONSULTING AGREEMENT ("Agreement"), is made and entered into as of this 1st day of October, 2012, by and between **U.S. SILICA COMPANY**, a Delaware corporation (the "Company" or "USS"), and **WILLIAM A. WHITE** ("Consultant").

RECITALS

WHEREAS, the Company desires to secure the Consultant's continuous services notwithstanding his voluntary resignation from employment with the Company, and the Consultant desires to provide such services to the Company; and

WHEREAS, the Consultant has and will obtain certain confidential information of the Company and the Consultant acknowledges and understands that, during the course of the performance of his services pursuant to this Agreement, the Consultant will become familiar with certain confidential information of the Company which is exceptionally valuable to the Company and vital to the success of the Company's business; and

WHEREAS, the Company and the Consultant desire to protect such confidential information from disclosure to third parties or use of such information to the detriment of the Company.

NOWHEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereto acknowledge and agree as follows:

TERMS**PART ONE****NATURE AND TERM OF SERVICES**

- 1.01 **Services.** The Company hereby agrees to engage the Consultant to perform, and the Consultant hereby agrees to perform, such consulting services relating to the Company's finances and financial reporting and other related services, as requested by Senior Management of the Company (the "Consultant's Services"). Services may also relate to Consultant's past work with the Company. Consultant agrees to use his best efforts in providing the Consultant's Services to the Company and in fulfilling his duties and obligations pursuant to the terms of this Agreement.
- 1.02 **Non-Compete.** The Consultant agrees that he will not during the term hereof (as that term is hereinafter defined) contact (except for purposes of social contacts or employment references), perform work for, or perform services for, directly or indirectly, any competing silica producer or processor.
- 1.03 **Days Worked.** There shall be no minimum requirement for days worked by the Consultant during the Term.

- 1.04 Term. The term of the Agreement (the "Term") shall begin on January 1, 2013, and shall continue through December 31, 2013. The term of this Agreement may be extended for additional annual terms by mutual written agreement of the parties.
- 1.05 Status as Independent Contractor. Nothing contained in this Agreement shall be construed as creating a relationship between Company and Consultant other than that of independent contractor. Consultant shall not be deemed an agent of the Company or of any other company affiliated with the Company, and Consultant shall have no right, power or authority to act in any way in the name of the Company or its affiliated companies.

PART TWO

COMPENSATION

- 2.01 Fees. During the Term of this Agreement, the Company shall pay to the Consultant at the rate of \$1,500.00 per day. However, in consideration of those further covenants made by Consultant in this Agreement, the Company agrees to pay to Consultant a minimum of \$15,000.00 per calendar quarter in fees notwithstanding the failure of the Company to utilize Consultant's services to such extent in such calendar quarter. All fees paid to Consultant pursuant to this Agreement are in addition to the Company's obligation to pay Consultant under his Employment Agreement or any other obligation of the Company. Consultant is aware that from all fees paid herein Consultant will be obligated to pay any and all federal and state taxes, including but not limited to the employer's share of FICA taxes.
- 2.02 Benefits. The Consultant and the Company acknowledge and agree that as the Consultant is an independent contractor, the Company shall not, and shall have no obligation to, by reason of this Agreement, provide the Consultant with any benefits (including, but not limited to, any health, disability, deferred compensation, severance, insurance, profit sharing, or pension benefits) pursuant to this Agreement; however, this provision shall have no effect on Company benefits otherwise due to the Consultant as a retiree of the Company or benefits, incentives or other compensation provided or due to the Consultant by the Company or its affiliates.
- 2.03 Expenses. During the Term of this Agreement, the Consultant shall be reimbursed by the Company for all ordinary and necessary out-of-pocket expenses for travel, lodging, meals, or any other similar expenses incurred by the Consultant in performing the Consultant's Services for the Company (including mileage reimbursement at the established IRS rate in the event Consultant is required to use his personal vehicle on Company business), to the extent that such expenditures meet the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), for deductibility by the Company for federal income tax purposes and which are substantiated and documented by the Consultant as required by the Code and in accordance with policies established by the Company from time to time (*i. e.*, Consultant must file with the Company a standard expense report using an Excel

form approved by the Company). It is understood and agreed that the Company will reimburse the Consultant for mileage to/from his residence to the Frederick office, in the even that he is asked to work at the Frederick office.

- 2.04 Payment of Fees and Expenses. Consultant agrees to furnish Company a monthly statement for any month in which Consultant has worked for Company, such statement to itemize the days worked, together with a monthly expense statement. Such statement shall be sent by e-mail to James I. Manion, General Counsel, manion@ussilica.com, or such other person as the Company may designate. Company agrees to pay such statement within ten business days after receipt. Consultant further agrees to sign and deliver to Company upon request an IRS Form W-9 if needed, and Consultant certifies he is not subject to “backup withholding”.

PART THREE

CONFIDENTIAL INFORMATION AND COMPETITION

- 3.01 Definition of Confidential Information. For the purposes of this Agreement, the term “Confidential Information” shall mean, but shall not be limited to information which is proprietary Company information which is not generally known to the public through legitimate origins, and which includes, but is not limited to, non-public financial information, income statements, balance sheets, cash flow statements, financial projections and models, information regarding Company customers and Company products, policies, procedures or manuals of the Company, and information concerning the operations of the Company. The Company and the Consultant acknowledge and agree that the foregoing Confidential Information is extremely valuable to the Company and shall be deemed to be a “Trade Secret”. For the purposes of this Section 3.01, such information is “not generally known to the public through legitimate origins” if it is not generally known to third parties who can obtain economic value from its disclosure and use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy or confidentiality. In the event that any part of the Confidential Information becomes generally known to the public through legitimate origins (other than by the breach of this Agreement by the Consultant), that part of the Confidential Information shall no longer be deemed Confidential Information for the purposes of this Agreement, but the Consultant shall continue to be bound by the terms of this Agreement as to all other Confidential Information.
- 3.02 Non-Disclosure of Confidential Information. The Consultant will not prior to, during, or after termination of, this Agreement, in any form or manner, directly or indirectly, divulge, disclose or communicate to any person, entity, firm, corporation or any other third party, or utilize for the Consultant’s personal benefit or for the benefit, any Confidential Information.
- 3.03 Delivery Upon Termination. Upon termination of this Agreement for any reason, the Consultant will promptly deliver to the Company all correspondence, drawings, manuals, letters, notes, notebooks, reports, programs, plans, proposals, or any other documents which contain Confidential Information as defined above in Section 3.01(collectively, the “Documents”).

- 3.04 Equitable Remedies. The Consultant agrees and acknowledges disclosure of Confidential Information in breach of this Agreement will result in immediate and irreparable harm to the business and goodwill of the Company and that monetary damages and remedies at law for such breach would be inadequate. The Company shall therefore be entitled to apply for and receive from any court of competent jurisdiction an injunction to restrain any violation of this Agreement and for such further relief as the court may deem just and proper, and the Consultant shall, in addition, pay to the Company the Company's costs and expenses in enforcing such terms (including court costs and reasonable attorneys' fees).
- 3.05 Continuing Obligation. The obligations, duties and liabilities of the Consultant pursuant to this Part Three of this Agreement are continuing, absolute and unconditional and shall remain in full force and effect as provided therein despite any termination of this Agreement for any reason whatsoever, for two years after the termination of this Agreement.

PART FOUR

INSURANCE

- 4.01 Insurance. The Consultant shall not be required to obtain professional liability insurance to insure the performance of his duties under this Agreement. In the event that the Company subsequently decides to require the Consultant to obtain such professional liability insurance, the Company shall reimburse the Consultant in full for the cost of the premium.

PART FIVE

MISCELLANEOUS

- 5.01 Assignment. Except as provided in this Section 5.01, the Consultant and the Company acknowledge and agree that the covenants, terms and provisions contained in this Agreement and the rights of the parties hereunder cannot be transferred, sold, assigned, pledged or hypothecated; provided, however, that this Agreement shall be binding upon and inure to the benefit of the Company and any successor to or assignee of all or substantially all of the business and property of the Company. In addition, the Company may assign its rights hereunder to a direct or indirect subsidiary, affiliated company, or division of the Company without the consent of the Consultant.
- 5.02 Entire Agreement. This Agreement contains the entire agreement between the parties concerning this Consulting Agreement and shall not be modified except in writing by the parties hereto. As previously stated, this Consulting Agreement shall have no effect on Executive's Employment Agreement dated December 21, 2011 with the Company.

- 5.03 Severability. If any phrase, clause or provision of this Agreement is declared invalid or unenforceable by a court of competent jurisdiction, such phrase, clause or provision shall be deemed severed from this Agreement, but will not affect any other provisions of this Agreement, which shall otherwise remain in full force and effect. If any restriction or limitation in this Agreement is deemed to be unreasonable, onerous and unduly restrictive by a court of competent jurisdiction, it shall not be stricken in its entirety and held totally void and unenforceable, but shall remain effective to the maximum extent permissible within reasonable bounds.
- 5.04 Notices. Any notice, request or other communication required to be given pursuant to the provisions hereof shall be in writing and shall be deemed to have been given when delivered in person, or by certified mail through the U. S. Post Office with return receipt requested, to the addresses shown below, such notices when given by overnight delivery service to be deemed effective on next business day after sending.
- 5.05 Waiver. The waiver by the Company or the Consultant of any breach of any term or condition of this Agreement shall not be deemed to constitute the waiver of any other breach of the same or any other term or condition hereof.
- 5.06 Use of Company Vehicles. Any use of Company vehicles by Consultant shall be in accordance with the Company's Vehicle Safety & Usage Policy dated 8/15/2005, as amended.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

COMPANY:

U. S. SILICA COMPANY

By: /s/ Bryan A. Shinn

Bryan A. Shinn

President & C. E. O.

8490 Progress Drive, Suite 300

Frederick, MD 21701

CONSULTANT:

/s/ William A. White

WILLIAM A. WHITE

[home address]

Separation and Transition Agreement

This Separation and Transition Agreement (this "Transition Agreement") is made as of October 1, 2012 by and among **U.S. Silica Company**, a Delaware corporation (the "Company"), **U.S. Silica Holdings, Inc.**, a Delaware corporation ("Holdings"), and **Brian Slobodow** ("Executive," and together with the Company and Holdings, the "Parties").

WHEREAS, the Company and Executive previously entered into that certain Employment Agreement, dated as of June 1, 2011 (as amended, the "Employment Agreement"), pursuant to which the Company agreed to employ Executive, and Executive agreed to serve, as Chief Administrative Officer of the Company;

WHEREAS, Holdings and Executive previously entered into that certain Non-Qualified Stock Option Agreement, dated as of July 12, 2011 (the "Option Agreement"), pursuant to which Holdings granted Executive stock options on the terms and conditions set forth therein; and

WHEREAS, the Parties desire to enter into this Transition Agreement in order to set forth the definitive rights and obligations of the Parties in connection with Executive's separation from the Company.

NOW, THEREFORE, in consideration of the mutual covenants, commitments and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

1. **Resignation of Office.** Effective as of October 8, 2012, Executive voluntarily resigns his position as Chief Administrative Officer of the Company, and from any and all other officer or director positions which he holds at the Company or any of the Company's subsidiaries or affiliates.

2. **Service as Director.** Notwithstanding Section 1 above, Executive shall continue to serve as a member of the Board of Directors of Holdings (the "Board") for so long as he is willing until the earlier of:

(a) the date on which Executive resigns or is removed from office in accordance with the terms of the Certificate of Incorporation and Bylaws of Holdings;

(b) the expiration of Executive's then-current term of service in the event that the Board determines in its sole discretion to not nominate Executive to stand for re-election to the Board;

(c) the date on which Executive is requested to resign his position as a member of the Board by a duly authorized representative of Golden Gate Private Equity, Inc., a Delaware corporation ("Golden Gate Capital"); *provided*, that Executive hereby appoints any such duly authorized representative of Golden Gate Capital as his true and lawful attorney in fact with full power and authority to effect such resignation by executing the Offer of Resignation attached hereto as Exhibit A; or

(d) the date on which Executive's status as an employee of the Company is terminated for Cause in accordance with Section 3(c) hereof.

3. Transition Period.

(a) Position and Duties. During the period from October 8, 2012 through December 31, 2012 (the "Transition Period"), Executive shall continue to serve as an employee of the Company and its subsidiaries. During the Transition Period, Executive shall perform such services relating to the Company and its subsidiaries as requested by, and shall report to, the Board. Executive shall perform such duties, responsibilities and functions to the Company and its subsidiaries to the best of his abilities in a diligent, trustworthy, professional and efficient manner and shall comply with the Company's and its subsidiaries' policies and procedures in all material respects. Executive shall have no authority (and shall not in any manner hold himself out as having any authority or otherwise take any action) to bind the Company or its subsidiaries to any contract, commitment or undertaking without the express prior written consent of the Board.

(b) Compensation; Expenses; Benefits. During the Transition Period, Executive shall continue to receive his base salary as in effect on the date hereof. The Company shall also continue to reimburse Executive for all reasonable business expenses incurred by him in the course of performing his duties and responsibilities under Section 3(a) above in accordance with Company policies. Executive shall also be entitled to continue to participate in the Company's health and welfare benefits on the same basis as members of the Company's senior management, as well as in the Company's 401(k) Plan in accordance with its terms and provisions and applicable law.

(c) Termination of Status as Employee for Cause. During the Transition Period, the Company reserves the right to terminate Executive's status as an employee for Cause prior to the end of the Transition Period. For such purposes, "Cause" shall mean with respect to Executive one or more of the following: (i) the commission of a felony or other crime involving moral turpitude or the commission of any other act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its subsidiaries and affiliates or any of their customers, suppliers or distributors; (ii) reporting to work under the influence of alcohol or illegal drugs, the use of illegal drugs (whether or not at the workplace) or other repeated conduct causing the Company or any of its subsidiaries or affiliates substantial public disgrace or disrepute or substantial economic harm; (iii) substantial and repeated failure to perform duties as reasonably directed by the Board; (iv) any act or omission aiding or abetting a competitor, supplier, customer or distributor of the Company or any of its subsidiaries and affiliates to the material disadvantage or detriment of the Company or its subsidiaries and affiliates; (v) gross negligence or willful misconduct with respect to the Company or any of its subsidiaries or affiliates; or (vi) any other material breach of this Transition Agreement.

4. Post-Transition Benefits and Payments.

(a) Final Pay. On the next regular payroll date following the end of the Transition Period, Executive will receive a lump sum payment of all then-outstanding accrued final compensation, including accrued unused vacation pay and reimbursable business expenses, for services performed for the Company and its subsidiaries through and including the Transition Period.

(b) Bonus. The Board shall award a bonus to Executive following the end of fiscal year 2012 pursuant to and in accordance with the terms and conditions of the 2012 Annual Bonus Incentive Plan of Holdings; *provided, however*, that such bonus shall be prorated in the discretion of the Board on the basis of Executive's service through October 7, 2012 and shall only be payable to the extent Executive remains in full compliance with all terms and provisions of this Transition Agreement, including, but not limited to, Section 7.

(c) Option Agreement. Holdings and Executive agree and confirm as follows:

(i) In accordance with the terms of the GGC USS Holdings, Inc. 2011 Incentive Compensation Plan, by virtue of Executive's continued service as a member of the Board the resignations pursuant to Section 1 above shall not be deemed to constitute a "Termination" for purposes of the Option Agreement. All references in the Option Agreement to Executive's "continued service" or "employment" with the Company shall be deemed to include all times during which Executive serves as a member of the Board (whether or not Executive is still an employee of the Company).

(ii) Section 4(a) of the Option Agreement is hereby amended and restated to read:

Vesting. The Options subject to this grant shall become vested, on a tranche-by-tranche basis, pursuant to the schedule set forth in the table below, *provided* the Participant is then employed by the Company and/or one of its Subsidiaries or Affiliates on the applicable vesting date. There shall be no proportionate or partial vesting in the periods prior to each vesting date and all vesting shall occur only on the appropriate vesting date, subject to the Participant's continued service with the Company or any of its Subsidiaries on each applicable vesting date.

<u>Vesting Date</u>	<u>Cumulative Percentage of Option Shares Vested</u>
First anniversary of the Grant Date	62.50% of Option Shares of each tranche
January 1, 2013	75.00% of Option Shares of each tranche
January 1, 2014	83.33% of Option Shares of each tranche
January 1, 2015	91.67% of Option Shares of each tranche
January 1, 2016	100.0% of Option Shares of each tranche

Notwithstanding the foregoing, in the event the Participant ceases to serve as a member of the Board of Directors of the Company prior to January 1, 2014 for any reason other than (i) his death or his voluntary resignation as a director or employee of the Company or any of its Subsidiaries or (ii) the termination of his directorship or employment for Cause, the Options that would have vested on January 1, 2014 shall vest immediately upon such occurrence."

(iii) Section 5(e) is hereby amended and restated to read:

Treatment of Unvested Options upon Termination. Subject to the last sentence of Section 4(a), any portion of the Options that is not vested as of the date of the Participant's Termination for any reason shall terminate and expire automatically as of the date of such Termination."

(d) **No Other Entitlements; Acknowledgment of Consideration.** As of the date hereof, Executive acknowledges that he will no longer be entitled to any other benefits, payments or contributions from Holdings or the Company other than those specifically provided for in this Transition Agreement, including any severance payments under Section 4(b) of the Employment Agreement or any compensation for his continued service as a member of the Board. Executive specifically acknowledges and agrees that certain of the obligations created and payments made to him by Holdings and the Company under this Transition Agreement are promises and payments to which he is not otherwise entitled under any law or contract.

5. Confidential Information; Work Product; Non-Compete; Non-Solicitation. Sections 5, 6, 7, 8 and 9 of the Employment Agreement are incorporated herein by reference, and all references to the "Employment Period" in such sections shall be deemed to include the Transition Period hereunder. Nothing in this Agreement shall modify, limit, supersede or relieve Executive from full compliance with the obligations imposed on him by such sections of the Employment Agreement through the Transition Period and after he has ceased to be an employee of the Company.

6. Confidentiality. The Company and Executive agree that the terms and conditions of this Transition Agreement are to be strictly confidential, except that Executive may disclose the terms and conditions to his family, attorneys, accountants, tax consultants, state and federal tax authorities or as may otherwise be required by law. The Company and Holdings may disclose the terms and conditions of this Transition Agreement as they deem necessary to their officers, employees, board of directors, stockholders, insurers, attorneys, accountants, state and federal tax authorities or as may otherwise be required by law. Executive asserts that he has not discussed, and agrees that except as expressly authorized by Holdings or the Company he will not discuss, this Transition Agreement or the circumstances of his separation with any employee of the Company, and that he will take affirmative steps to avoid or absent himself from any such discussion even if he is not an active participant therein. EXECUTIVE ACKNOWLEDGES THE SIGNIFICANCE AND MATERIALITY OF THIS PROVISION TO THIS TRANSITION AGREEMENT, AND HIS UNDERSTANDING THEREOF.

7. Return of Corporate Property; Conveyance of Information.

(a) **Company Property.** Executive represents and warrants that upon the later of (i) the conclusion of the Transition Period or (ii) the date on which Executive ceases to serve as a member of the Board, he will return all property of the Company within his possession, accessibility or control, including (without limitation) all keys, access fobs, credit

cards (without further use thereof), cell phones, computers, PDAs and all other items belonging to the Company or which contain Confidential Information (as defined in the Employment Agreement); and, in the case of documents, including (without limitation) all documents of any kind and in whatever medium evidenced, including (without limitation) all hard disk drive data, diskettes, microfiche, photographs, negatives, blueprints, printed materials, tape recordings, CD, DVDs and videotapes.

(b) **Information.** In addition to the obligation to turn over any physical embodiment of Confidential Information pursuant to Section 7(a) above, and to keep such information strictly confidential pursuant to Section 5 above, Executive agrees to make himself available from time to time at the Company's request (during normal business hours, with reasonable prior notice) to discuss and disseminate such information and to otherwise cooperate with the Company's efforts relating thereto.

8. Remedies. Executive hereby acknowledges and affirms that in the event of any breach by Executive of any of his covenants, agreements or obligations hereunder, monetary damages would be inadequate to compensate Holdings and/or the Company. Accordingly, in addition to other remedies which may be available to Holdings and/or the Company hereunder or otherwise at law or in equity, both Holdings and the Company will be entitled to specifically enforce such covenants, obligations and restrictions through injunctive and/or equitable relief, in each case without the posting of any bond or other security with respect thereto. Should any provision of this Transition Agreement be adjudged to any extent invalid by any court or tribunal of competent jurisdiction, each provision will be deemed modified to the minimum extent necessary to render it enforceable.

9. Complete Agreement; Inconsistencies. This Transition Agreement constitutes the complete and entire agreement and understanding of the Parties with respect to the subject matter hereof, and supersedes in its entirety any and all prior understandings, commitments, obligations and/or agreements, whether written or oral, with respect thereto. Without limiting the foregoing, the Parties understand and agree that this Transition Agreement (including the mutual covenants, agreements, acknowledgments and affirmations contained herein) is intended to (a) terminate the Employment Agreement in its entirety (except to the extent incorporated herein by reference) and (b) amend the Option Agreement as set forth in Section 4(c).

10. No Strict Construction. The language used in this Transition Agreement will be deemed to be the language mutually chosen by the Parties to reflect their mutual intent, and no doctrine of strict construction will be applied against any Party.

11. Third Party Beneficiaries. This Transition Agreement is not intended for the benefit of any person other than the Parties, and no such other person will be deemed to be a third party beneficiary hereof. Without limiting the generality of the foregoing, it is not the intention of the Company to establish any policy, procedure, course of dealing or plan of general application for the benefit of or otherwise in respect of any other employee, officer, director or stockholder, irrespective of any similarity between any contract, agreement, commitment or understanding between the Company and such other employee, officer, director or stockholder, on the one hand, and any contract, agreement, commitment or understanding between the

Company and Executive, on the other hand, and irrespective of any similarity in facts or circumstances involving such other employee, officer, director or stockholder, on the one hand, and Executive, on the other hand.

12. Tax Withholdings. Notwithstanding any other provision herein, the Company will be entitled to withhold from any amounts otherwise payable hereunder to Executive any amounts required to be withheld in respect of federal, state or local taxes.

13. Notices. All notices, consents, waivers and other communications required or permitted by this Transition Agreement will be in writing and will be deemed given to a Party when: (a) delivered to the appropriate address by hand or overnight delivery; (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; or (c) three (3) days following mailing by certified mail, postage prepaid and return receipt requested, in each case to the following addresses, facsimile numbers or e-mail addresses and marked to the attention of the Party designated below (or to such other address, facsimile number, e-mail address or person as a Party may hereafter designate by written notice to the other Parties):

If to Holdings or the Company:

U. S. Silica Company
Attn.: Legal Dept.
8490 Progress Drive, Suite 300
Frederick, MD 21701
Tel: 301-682-0611
Fax: 301-682-0690

With a mandatory copy to:

Kirkland & Ellis LLP
Attn.: Timothy Stephenson, Esq.
655 15th Street, N. W.
Washington, DC 20005
Tel: 202-879-5144
Fax: 202-879-5200

If to Executive:

Brian Slobodow
[home address]

14. Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Transition Agreement will be governed by, and construed in accordance with, the laws of the State of Maryland, without giving effect to any choice of law or conflict of law rules or provisions that would cause the application hereto of the laws of any jurisdiction other than the State of Maryland. In furtherance of the foregoing, the internal law of the State of Maryland will control the interpretation and construction of this Transition Agreement, even though under any other jurisdiction's choice of law or conflict of law analysis the substantive law of some other jurisdiction may ordinarily apply.

15. Severability. The invalidity or unenforceability of any provision of this Transition Agreement will not affect the validity or enforceability of any other provision of this Transition Agreement, which will otherwise remain in full force and effect.

16. Counterparts. This Transition Agreement may be executed in separate counterparts, each of which will be deemed to be an original and all of which taken together will constitute one and the same agreement.

17. Successors and Assigns. The Parties' obligations hereunder will be binding upon their successors and assigns, and no such assignment shall relieve the assigning party from continuing also to comply with such obligations. The Parties' rights will inure to the benefit of, and be enforceable by, any of the Parties' successors and assigns. The Company may assign all rights and obligations of this Transition Agreement to any successor in interest to the assets of the Company. In the event that the Company is dissolved, all obligations of the Company under this Transition Agreement will be provided for in accordance with applicable law.

18. Amendments and Waivers. Except with respect to any non-competition or similar post-employment restrictive covenants, which will be subject to modification by a court of competent jurisdiction pursuant to their express terms (as may be modified herein), no amendment to or waiver of this Transition Agreement or any of its terms will be binding upon any Party unless consented to in writing by such Party.

19. Headings. The headings of the sections and subsections of this Transition Agreement are for purposes of convenience only, and will not be deemed to amend, modify, expand, limit or in any way affect the meaning of any of the provisions hereof.

20. Disputes. Except as set forth in this paragraph, any dispute, claim or difference arising out of this Transition Agreement will be settled exclusively by binding arbitration in accordance with the rules of the American Arbitration Association ("AAA"). The arbitration will be held in Baltimore, Maryland unless Executive and the Company mutually agree otherwise. Nothing contained in this Section 20 will be construed to limit or preclude a Party from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief to compel another party to comply with its obligations under this Transition Agreement or any other agreement between or among the Parties during the pendency of the arbitration proceedings. Subject to the proviso in this sentence below, each Party will bear its own costs and fees of the arbitration, and the fees and expenses of the arbitrator will be borne equally by the Parties unless the arbitrator determines that any Party has acted in bad faith, in which event the arbitrator will have the discretion to require any one or more of the Parties to bear all or any portion of fees and expenses of the Parties and/or the fees and expenses of the arbitrator; *provided, however*, that with respect to claims that, but for this mandatory arbitration clause, could be brought against the Company under any applicable federal or state labor or employment law ("Employment Law"), the arbitrator will be granted and will be required to exercise all discretion belonging to a court of competent jurisdiction under such Employment

Law to decide the dispute, whether such discretion relates to the provision of discovery, the award of any remedies or penalties, or otherwise. As to claims not relating to Employment Laws, the arbitrator will have the authority to award any remedy or relief that a court of the State of Maryland could order or grant. The decision and award of the arbitrator will be in writing and copies thereof will be delivered to each Party. The decision and award of the arbitrator will be binding on all Parties. In rendering such decision and award, the arbitrator will not add to, subtract from or otherwise modify the provisions of this Transition Agreement. Either Party to the arbitration may seek to have the ruling of the arbitrator entered in any court having jurisdiction thereof. Each Party agrees that it will not file suit, motion, petition or otherwise commence any legal action or proceeding for any matter which is required to be submitted to arbitration as contemplated herein except in connection with the enforcement of an award rendered by an arbitrator and except to seek the issuance of an injunction or temporary restraining order pending a final determination by the arbitrator. Upon the entry of any order dismissing or staying any action or proceeding filed contrary to the preceding sentence, the Party which filed such action or proceeding will promptly pay to the other Party the reasonable attorney's fees, costs and expenses incurred by such other Party prior to the entry of such order. All aspects of the arbitration will be considered confidential and will not be disseminated by any Party with the exception of the ability and opportunity to prosecute its claim or assert its defense to any such claim. The arbitrator shall, upon request, issue all prescriptive orders as may be required to enforce and maintain this covenant of confidentiality during the course of the arbitration and after the conclusion of same so that the result and underlying data, information, materials and other evidence are forever withheld from public dissemination with the exception of its subpoena by a court of competent jurisdiction in an unrelated proceeding brought by a third party. This Section 20 will be construed and enforced under the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq.

21. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY LITIGATION, ACTION, PROCEEDING, CROSS-CLAIM, OR COUNTERCLAIM IN ANY COURT (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH (i) THIS TRANSITION AGREEMENT OR THE VALIDITY, PERFORMANCE, INTERPRETATION, COLLECTION OR ENFORCEMENT HEREOF OR (ii) THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, AUTHORIZATION, EXECUTION, DELIVERY, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF.

* * * * *

IN WITNESS WHEREOF, the Parties have executed this Transition Agreement effective as of the date first set forth above.

By: /s/ Brian Slobodow

BRIAN SLOBODOW

U. S. SILICA COMPANY

By: /s/ Bryan A. Shinn

Name: Bryan A. Shinn

Title: President and Chief Executive Officer

U. S. SILICA HOLDINGS, INC.

By: /s/ Bryan A. Shinn

Name: Bryan A. Shinn

Title: President and Chief Executive Officer

Signature Page to Separation and Transition Agreement

EXHIBIT A

OFFER OF RESIGNATION

I, Brian Slobodow, do hereby:

1. Tender my resignation as a member of the Board of Directors of U.S. Silica Holdings, Inc., effective as of the date identified below; and
2. Authorize the Company to accept this resignation as of the date identified below.

Brian Slobodow

By: [], as Attorney-in-Fact

Date: []



News Release

U.S. Silica Holdings, Inc. Announces Retirement of CFO, Appointment of Vice President of Finance and Resignation of CAO

Frederick, MD., October 1, 2012 – U.S. Silica Holdings, Inc. (NYSE: SLCA) today announced that William A. White will retire as Chief Financial Officer effective as of December 31, 2012. The Company also announced that Donald A. Merrill was appointed Vice President of Finance effective October 1, 2012. Mr. Merrill will assume the Chief Financial Officer position upon Mr. White's retirement, effective January 1, 2013.

Bryan Shinn, President and Chief Executive Officer, commented on Mr. White's retirement, "Bill has left a lasting impact on US Silica and the silica sand industry. In his 21 year career at US Silica his extraordinary leadership, passion for our business, and keen insights have positioned US Silica as one of the most respected and admired companies in the industry. On behalf of everyone at US Silica, I thank Bill for his tremendous contributions to our company and wish him all the best in retirement."

Prior to joining the company, Mr. Merrill, age 48, served as Senior Vice President and Chief Financial Officer of Myers Industries, Inc. from January 2006 until August 31, 2012. Prior to Myers Industries, Mr. Merrill held the role of Vice President and Chief Financial Officer, Rubbermaid Home Products Division at Newell Rubbermaid from 2003 through 2006. "Don is a valued addition to our executive management team and I have confidence in his abilities as a Vice President of Finance and future Chief Financial Officer of US Silica," commented Mr. Shinn. "We are very fortunate to have Don filling the role of CFO, beginning in January. Don has a long history of leadership with public companies. He brings deep financial expertise and an extensive background with SEC compliance."

Also announced by U.S. Silica Holdings, Inc., is that Brian Slobodow, the company's Chief Administrative Officer, will resign as an executive officer of the Company effective October 7, 2012 to become an operating executive of Golden Gate Capital or one of its affiliates. To ensure a smooth transition, Mr. Slobodow will continue as an employee of the company through December 31, 2012. Mr. Slobodow will continue to serve on the Company's board of directors.

"Brian has been instrumental to US Silica's recent growth and transition from a private to a public company by serving as Chief Administrative Officer, as a member of our board, and as our previous Chief Executive Officer. We thank Brian for his enormous contributions to the company and look forward to him continuing as a member of our board of directors."

The Company will file a Form 8-K with the Securities and Exchange Commission later today regarding these management changes.

About U.S. Silica

U.S. Silica Holdings, Inc., a Delaware corporation, is the second largest domestic producer of commercial silica, a specialized mineral that is a critical input into the oil and gas proppants end market. The company also processes ground and unground silica sand for a variety of industrial and specialty products end markets such as glass, fiberglass, foundry molds, municipal filtration and recreational uses. During its 100-plus year history, U.S. Silica Holdings, Inc. has developed core competencies in mining, processing, logistics and materials science that enable it to produce and cost-effectively deliver over 200 products to customers across these end markets. U.S. Silica Holdings, Inc. is headquartered in Frederick, Maryland.

For more information about US Silica visit www.ussilica.com.

U.S. Silica Holdings, Inc.

Investor Relations

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