Court File No. CV-16-11582-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 10th
	)	
JUSTICE NEWBOULD	)	DAY OF FEBRUARY, 2017

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD., BAUER HOCKEY CORP., BAUER HOCKEY RETAIL CORP., BAUER PERFORMANCE SPORTS UNIFORMS CORP., BPS CANADA INTERMEDIATE CORP., BPS DIAMOND SPORTS CORP., EASTON BASEBALL/SOFTBALL CORP., KBAU HOLDINGS CANADA, INC., PERFORMANCE LACROSSE GROUP CORP., PSG INNOVATION CORP., BAUER HOCKEY RETAIL INC., BAUER HOCKEY, INC., BAUER PERFORMANCE SPORTS UNIFORMS INC., BPS DIAMOND SPORTS INC., BPS US HOLDINGS INC., EASTON BASEBALL/SOFTBALL INC., PERFORMANCE LACROSSE GROUP INC., PSG INNOVATION INC.

(Applicants)

ORDER
(Re: Q30 Settlement Agreement)

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, among other things, approving the assignment of certain agreements as contemplated by the asset purchase agreement (as amended, the "**Asset Purchase Agreement**") between the Applicants (including any successors thereof) and 9938982 Canada Inc. or any Designated Purchaser (as defined in the Asset Purchase Agreement) (in either event, the "**Purchaser**") made as of October 31, 2016, including contracts between the PSG Innovation Corp. ("**PSG Innovation**") and Q30 Sports Science, LLC ("**Q30 Parent**"), Q30 Sports, LLC ("**Q30 Sports**") and Messrs. Angus and Hoey (together with the Q30 Parent and Q30 Sports, the "**Q30 Parties**"), was heard February 6, 2017, February 8, 2017 and this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Brian J. Fox sworn January 24, 2017 and the Exhibits thereto, the Supplementary Affidavit of Brian J. Fox sworn February 2, 2017 and the Exhibits thereto, the Sixth Report of Ernst & Young Inc. in its capacity as monitor (the "**Monitor**") to the Applicants dated February 3, 2017, the Objection of the Q30 Parties dated January 25, 2017, and on hearing evidence and the submissions of counsel for the Applicants, the Monitor, Q30 and Messrs. Angus and Hoey, Sagard Holdings Inc., Fairfax Financial Holdings Limited, the ABL DIP lenders, the Official Committee of Unsecured Creditors, and the Official Committee of Equityholders of Performance Sports Group Ltd., no one appearing for any other party although duly served as appears from the affidavits of service, filed.

DEFINITIONS

1. **THIS COURT ORDERS** capitalized terms not otherwise defined herein have the meaning ascribed to them in the Approval and Vesting Order of this Court dated February 6, 2017 (the "**Approval and Vesting Order**").

Q30 SETTLEMENT AGREEMENT

2. **THIS COURT ORDERS** that the Waiver and Consent Agreement dated February 10, 2017 between the Applicants, the Purchaser, Q30 Parent, Q30 Sports, Bruce Angus and Thomas Hoey attached hereto as Schedule "A", and the transactions contemplated therein, are hereby approved in their entirety.

3. **THIS COURT ORDERS** that the parties to the Waiver and Consent Agreement are hereby authorized to enter into and perform their obligations under the Waiver and Consent Agreement and all additional instruments and documents that may be reasonably necessary or desirable to implement the Waiver and Consent Agreement.

4. **THIS COURT ORDERS** that the parties to the Waiver and Consent Agreement may modify, amend or supplement the Waiver and Consent Agreement and any related agreements, documents or other instruments in accordance with the terms thereof without further order of this Court.

5. **THIS COURT ORDERS** that:

(a) the Sellers are authorized to assume and assign the Exclusive License Agreement dated October 15, 2015 between Q30 Parent and PSG Innovation (as amended and supplemented), the Independent Contractor Agreement dated as of October 15, 2015 between PSG Innovation and Bruce Angus, and the Independent Contractor Agreement dated as of October 15, 2015 between PSG Innovation and Thomas Hoey (collectively, the "**Assigned Q30 Agreements**") to the Purchaser;

(b) the Q30 Parties consent to the assumption and assignment of such agreements to the Purchaser; and

(c) the Purchaser agrees to the assumption of such agreements,

in each case on the terms and conditions set forth in the Waiver and Consent Agreement.

6. **THIS COURT ORDERS** that the terms of the Approval and Vesting Order shall apply to the Assigned Q30 Agreements and shall remain binding on Q30 Parent, Q30 Sports, Bruce Angus, Thomas Hoey, the Purchaser and the Applicants, except to the extent modified by the Waiver and Consent Agreement or the terms of this Order.

7. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicants and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Applicants;

the payments, distributions, and disbursements made pursuant to the Waiver and Consent Agreement shall be made free and clear of all Claims and Encumbrances and be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by creditors or equityholders of the Applicants, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS** that the payment of the amounts contemplated in the Waiver and Consent Agreement shall not constitute a breach of the Amended and Restated Initial Order dated October 31, 2016.

GENERAL

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

Dunphy J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

FEB 10 2017

PER / PAR:

Schedule "A" – Q30 Settlement

[Attached]

WAIVER AND CONSENT

This WAIVER AND CONSENT AGREEMENT (this "Agreement") is dated as of February 10, 2017, among Q30 Sports, LLC ("Q30 Sports"), Q30 Sports Science, LLC ("Q30 Parent" and together with Q30 Sports, "Q30"), PSG Innovation Corp. ("PSG Innovation" or the "Licensee"), the other Debtors (as defined below), Thomas Hoey, Bruce Angus, and 9938982 Canada Inc. (and its designated affiliates as permitted by the Asset Purchase Agreement referenced below collectively, the "Purchaser"), with respect to the settlement of PSG Innovation's assumption and assignment of the agreements identified below to Purchaser. Q30, Mssrs. Hoey and Angus, Licensee, the Debtors and the Purchaser shall be referred to herein as the "Parties" or each, individually, as a "Party."

Reference is made to (a) that certain Exclusive License Agreement among Q30 and Licensee, dated as of October 15, 2015 (as amended or supplemented, the "License Agreement");[1] (b) that certain Trademark License Agreement, dated as of October 15, 2015 between Q30 Parent and Licensee (the "TM Agreement"); (c) that certain Membership Interest Purchase Agreement (the "Purchase Agreement") by and between Q30 and Licensee, dated as of October 15, 2015; (d) that certain Independent Contractor Agreement, dated as of October 15, 2015 between Licensee and Bruce Angus (the "Angus Agreement"); (e) that certain Independent Contractor Agreement, dated as of October 15, 2015 between Licensee and Thomas Hoey (the "Hoey Agreement" and together with the Angus Agreement, the "Consulting Agreements"); and (f) the Amended & Restated Limited Liability Company Operating Agreement Effective as of March 10, 2014 of Q30 Sports Science, LLC (the "Q30 Parent LLC Operating Agreement" together with the License Agreement, the TM Agreement, the Purchase Agreement, and the Consulting Agreements, the "Q30 Agreements");

WHEREAS, on October 31, 2016, Performance Sports Group Ltd. ("PSG"), the Licensee, Bauer Hockey Corp., Bauer Hockey Retail Corp., Bauer Performance Sports Uniforms Corp., BPS Canada Intermediate Corp., BPS Diamond Sports Corp., Easton Baseball/Softball Corp., KBAU Holdings Canada, Inc., Performance Lacrosse Group Corp., Bauer Hockey, Inc., Bauer Hockey Retail Inc., Bauer Performance Sports Uniforms Inc., BPS Diamond Sports Inc., BPS US Holdings Inc., Easton Baseball/Softball Inc., Performance Lacrosse Group Inc., and PSG Innovation Inc. (collectively, the "Debtors") (a) filed with the Ontario Superior Court of Justice (Commercial List) (the "CCAA Court") an initial application for relief under the Companies' Creditors Arrangement Act (Canada), and (b) commenced voluntary proceedings under Chapter 11 of the U.S. Bankruptcy Code by filing petitions for relief in the United States Bankruptcy Court for the District of Delaware (the "U.S. Bankruptcy Court" and together with the CCAA Court, the "Courts");

WHEREAS, pursuant to an order issued by each of the CCAA Court and the U.S. Bankruptcy Court, and in accordance with the terms and conditions of an asset purchase agreement dated October 31, 2016 (as may be amended from time to time, the "Asset Purchase Agreement") by and among Purchaser and the Debtors, the Licensee will transfer to the Purchaser, and the Purchaser will purchase and assume, substantially all of the assets and liabilities related to the business of the Debtors (the "Proposed Transaction");

[1] Capitalized terms not otherwise defined herein have the meaning ascribed to them in the License Agreement.

WHEREAS, in connection with the Proposed Transaction, the Licensee desires to transfer to the Purchaser its Percentage Interest (as such term is defined in the Q30 Parent LLC Operating Agreement) in the Q30 Parent consisting of 102,938.91 Common Units (the "Licensee Percentage Interest");

WHEREAS, pursuant to Section 7.1 of the Q30 Parent LLC Operating Agreement, in the event that the Licensee proposes to transfer to a third party any of the Licensee Percentage Interest, or any interest in the Licensee Percentage Interest, the management board of Q30 Parent shall have a right to approve such transfer, which approval may be withheld in the reasonable discretion of the management board;

WHEREAS, pursuant to Section 7.3.1 of the Q30 Parent LLC Operating Agreement, in the event a member receives from a third party a bona fide offer to purchase all or a portion of its Percentage Interest and such member proposes to transfer its Percentage Interest to such third party, Q30 Parent in the first instance, and then each of the other members of the Q30 Parent, have a right of first offer and second offer (the "Rights of First and Second Offer"), respectively, all as set forth in the Q30 Parent LLC Operating Agreement;

WHEREAS, in connection with the Proposed Transaction, the Licensee wishes to assign the License Agreement to the Purchaser;

WHEREAS, pursuant to Section 13.5 of the License Agreement, the Licensee may not assign the License Agreement and/or any of its obligations thereunder without the prior written consent of Q30, which consent will not be unreasonably withheld, delayed or conditioned;

WHEREAS, Section 6.5.5 of the License Agreement purports to give Q30 the right to terminate the License Agreement upon written notice to the Licensee if the Licensee files a petition in bankruptcy; and

WHEREAS, any payment made to Q30 under this Agreement shall be entitled to administrative expense priority under section 503(b) of the Bankruptcy Code and shall not be avoidable under Chapter V of the Bankruptcy Code.

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Parties hereby acknowledge and agree as follows:

1. Recitals. The Recitals set forth above are hereby incorporated in and made a part of this Agreement by this reference.

2. Membership Interests in Q30 Parent.

(a) Pursuant to Sections 7.1 and 7.3 of the Q30 Parent LLC Operating Agreement, notwithstanding anything to the contrary therein, Q30 Parent hereby unconditionally and irrevocably consents to the transfer of the Licensee Percentage Interest to the Purchaser for all purposes under the Q30 Parent LLC Operating Agreement, and Q30 Parent, and its management board, shall take commercially reasonable actions to effect such transfer in order to eliminate or otherwise render ineffective the Rights of First and Second Offer as it relates to the transfer of the Licensee Percentage Interest to the Purchaser such that such Licensee Percentage Interest can be transferred to the Purchaser at the closing of the Proposed Transaction.

(b) If a member of Q30 Parent exercises its rights under the Rights of First and Second Offer and purchases some or all of the Licensee Percentage Interest, and such transaction consummates on or before the closing of the Proposed Transaction, then Licensee and Purchaser agree that (i) without duplication, the Base Purchase Price and the Closing Cash Payment (each as defined in the Asset Purchase Agreement) shall be reduced by the purchase price such member pays for such Licensee Percentage Interest and the Debtors shall retain the purchase price paid by the member of Q30 Parent to the Debtors notwithstanding anything in the Asset Purchase Agreement to the contrary, and (ii) the Debtors shall transfer to Purchaser the remaining Licensee Percentage Interest (if any) that was not purchased by such member.

(c) If a member of Q30 Parent exercises its rights under the Rights of First and Second Offer to purchase some or all of the Licensee Percentage Interest, and such transaction remains pending at the time of closing of the Proposed Transaction, then the Debtors and Purchaser agree that: (i) Purchaser may withhold the amount of the purchase price such member has offered to pay for the Licensee Percentage Interest (or in the event that any Rights of First and Second Offer have not expired, (U.S.) $2,000,000) from, without duplication, the Base Purchase Price and the Closing Cash Payment (each as defined in the Asset Purchase Agreement) until such time as the transfers under such Rights of First and Second Offer are consummated.

(i) If such Right of First and Second Offer do not consummate, then Purchaser shall release to the Debtors the amount withheld in accordance with the foregoing sentence in section 2(c) of this Agreement, the deduction to the Base Purchase Price shall be reversed, and the Debtors shall transfer the Licensee Percentage Interest to Purchaser.

(ii) If such Right of First and Second Offer does consummate, then (x) the Base Purchase Price and Closing Cash Payment shall be permanently reduced by the amount withheld in section 2(c) of this Agreement, (y) the Debtors shall retain the purchase price paid by the member of Q30 Parent to the Debtors, notwithstanding anything in the Asset Purchase Agreement to the contrary, and (z) the Debtors shall transfer to Purchaser the remaining Licensee Percentage Interest (if any) that was not purchased by such member.

(d) The Purchaser agrees that the transfer of the Licensee Percentage Interest to the Purchaser as set forth in section 2(a) of this Agreement or the reduction in, without duplication, the Base Purchase Price and the Closing Cash Payment set forth in sections 2(b) and 2(c) of this Agreement, in each case whether or not such transfer occurs at the closing of the Proposed Transaction, satisfies the Debtors' obligations to obtain Consents (as such term is defined in the Asset Purchase Agreement) in connection with the Licensee Percentage Interest in Section 8.3(g) of the Asset Purchase Agreement and on Schedule 8.3(g)(3) of the Asset Purchase Agreement, as well as the transfer of the Acquired Investments (as defined in the Asset Purchase Agreement) to the extent of the Q30 Innovations, LLC interests set forth in Schedule 1.1(a) of the Asset Purchase Agreement.

3. Consent to Assumption and Assignment of the License Agreement. Notwithstanding anything to the contrary in the License Agreement, in connection with and effective at the closing of the Proposed Transaction, the Q30 Parties hereby unconditionally and irrevocably:

(a) consent to (i) the Licensee's assumption and assignment pursuant to section 365 of the Bankruptcy Code and section 11.3 of the CCAA of the License Agreement, as amended by this Agreement, to the Purchaser at the closing of the Proposed Transaction; (ii) the Licensee's assignment of all of its rights and obligations for all purposes under the License Agreement as amended by this Agreement to the Purchaser; and (iii) the assumption by the Purchaser of the License Agreement as amended by this Agreement and all of the Licensee's rights and obligations under the License Agreement as so amended;

(b) waive their purported right to terminate the License Agreement pursuant to Section 6.5.5 of the License Agreement as a result of the proceedings commenced by the Debtors in the CCAA Court and the U.S. Bankruptcy Court; and

(c) notwithstanding any provision in the License Agreement to the contrary, expressly consent to a one-time assignment by the Purchaser to another Purchaser contemporaneously with the closing of the Proposed Transaction. Any further assignment requires the consent set forth in Section 13.5 of the License Agreement.

4. Release and Covenant not to Sue by Licensee and Purchaser. Each of Licensee and Purchaser forever waives, effective as of the closing date of the Proposed Transaction, any and all (i) claims or causes of action they may have against Q30, their officers, directors, shareholders, members, agents, and employees (collectively, the "Q30 Released Parties") and (ii) claims and causes of action, or rights to terminate the License Agreement, based upon obligations that may otherwise have been imposed on the Q30 Released Parties, in each case of (i) and (ii) hereof, arising under or pursuant to the License Agreement or any other Q30 Agreement on or before the closing date of the Proposed Transaction. Licensee and Purchaser covenant not to sue the Q30 Released Parties or their successors or assigns, based upon such claims or causes of action arising on or before the closing date of the Proposed Transaction. Nothing in this section shall be deemed to waive any right Licensee or Purchaser may have to sue for a breach of this Agreement nor be deemed a covenant not to sue for a breach of this Agreement.

5. Release and Covenant not to Sue by the Q30 Parties. Each of Q30, Mssrs. Angus and Hoey (collectively, the "Q30 Parties") forever waive, effective as of the closing date of the Proposed Transaction, any and all (i) claims or causes of action they may have against the Licensee or Purchaser and their respective officers, directors, shareholders, members, agents, and employees (collectively, the "Licensee/Purchaser Released Parties") and (ii) claims and causes of action, or rights to terminate the License Agreement, based upon obligations that may otherwise have been imposed on the Licensee/Purchaser Released Parties, in each case of (i) and (ii) hereof, arising under or pursuant to the License Agreement or any other Q30 Agreement on or before the closing date of the Proposed Transaction. The Q30 Parties covenant not to sue the Licensee/Purchaser Released Parties or their successors or assigns, based upon such claims or causes of action arising on or before the closing date of the Proposed Transaction. Nothing in this section shall be deemed to waive any right the Q30 Parties may have to sue for a breach of this Agreement nor be deemed a covenant not to sue for a breach of this Agreement.

6. Amendments to License Agreement. In consideration of this Waiver and Consent by the Q30 Parties, the Parties agree that the License Agreement shall be amended as follows, effective upon the closing date of the Proposed Transaction:

(a)

(b) Section 3.3 of the License Agreement is hereby amended by adding the following at the end thereof: "On the closing date of the Proposed Transaction, Licensee agrees to make an advance payment (without interest or repayment obligation) to Q30 in the amount of which amount shall be credited, in whole or in part, against the royalty fees payable by Licensee under Section 3.3 and the minimum royalty amounts set forth in Section 3.4 of the License Agreement as follows: (i) upon the date that Licensee or any of its sublicensees (only as permitted under the License) first sells or distributes Products in the U.K., provided that such commercialization commences within six months following the date that Licensee obtains CE notification for Products as a medical device in the EU or UK; (ii) upon the date that Licensee or any of its sublicensees (only as permitted under the License) first sells or distributes Products in the EU, provided that such commercialization commences within six months following the date that Licensee obtains CE notification for Products as a medical device in the EU; (iii) on the First Sale Date provided that the First Sale Date occurs within six months of the Regulatory Approval from the FDA; and (iv) upon the date of the first sale or distribution of a Product by Licensee or any of its sublicensees (only as permitted under the License) in Canada, provided that such date is on or before January 1, 2018. If any of the commercialization deadlines set forth in subparagraphs (i), (ii), (iii), or (iv) above are not met by Licensee for any reason, then the advanced payment(s) associated with such jurisdiction(s) shall be earned by Q30 as of the passing of such deadline(s) and shall not be subject to any credit against future royalty payments or against the minimum royalty amounts."

(c) Section 4.2.6 of the License Agreement is hereby amended such that Licensee's rights under Sections 2.1 and 2.2 and Q30's restrictions in Section 2.3 will automatically terminate with respect to (i) Canada, if Licensee does not sell or distribute Products in Canada on or before January 1, 2018; (ii) the U.K., if Licensee does not sell or distribute Products in the U.K. within 12 months following the date that Licensee obtains CE notification for Products as a medical device in the EU or U.K.; (iii) the EU, if Licensee does not sell or distribute Products in the EU within 12 months following the date that Licensee obtains CE notification for Products as a medical device in the EU; and (iv) the U.S., if Licensee does not sell or distribute Products in the U.S. within 12 months following the date that Licensee obtains Regulatory Approval from the FDA.

(d) Sections 12 and 13.12 of the License Agreement are hereby deleted in their entirety.

(e) Licensee agrees that Q30 shall be appointed the exclusive master distributor for the sale of Products in Australia and New Zealand under terms and conditions that the parties agree to negotiate in good faith. If the parties fail to negotiate and finalize such an agreement, Licensee's rights under Sections 2.1 and 2.2 and Q30's restrictions under Section 2.3 will automatically terminate with respect to Australia and New Zealand, effective as of March 31, 2018.

7. Additional Covenants. The Parties further covenant and agree:

(a) Disputed Accounts Receivable. Q30 agrees to pay Purchaser a total of (U.S.) $550,000 in full satisfaction of (i) the invoices issued by Licensee to Q30 before the date hereof and (ii) the expenses incurred by Q30 as of January 31, 2017, in each case pursuant to Sections 5.1.1(f) and 7.1 of the License Agreement. Licensee and Purchaser shall have no obligation to make additional payments for (i) the invoices issued by Q30 to Licensee before the date hereof nor (ii) the expenses incurred by Licensee as of January 31, 2017, in each case pursuant to Sections 5.1.1(f) or 7.1 of the License Agreement. The payment obligation set forth in this Section 7(a) shall be satisfied in the manner set forth in Section 9 below.

(b) Payment Obligations. Notwithstanding anything to the contrary in this Agreement, the (U.S.) payable to Q30 pursuant to Sections 6(a) and 6(b), above, is solely an obligation of the Debtors and their estates and will be funded into the Escrow Account defined below by the Debtors. Nothing herein affects a determination or allocation of this liability to any specific Debtor and all rights of parties in interest with respect to the allocation of such amounts by and among the Debtors are fully reserved.

(c) Termination of the TM Agreement. Effective as of the closing of the Proposed Transaction, the TM Agreement shall be terminated without obligation by either Licensee or Q30 Parent to the other.

(d) Memorandum of Understanding. The parties agree to negotiate in good faith to enter into a Memorandum of Understanding to address patent prosecution activities, regulatory matters and that certain RavenOye Agreement in an effort to clarify the parties' respective roles and responsibilities and to ensure that each party has a right to provide input and influence in the patent and regulatory processes.

(e) Consulting Agreements. Each of Tom Hoey and Bruce Angus agree to the assignment of their respective Consulting Agreements to the Purchaser which each agrees shall be amended as follows, effective as of the date of assignment to the Purchaser:

(i) In lieu of the 100,000 stock options granted to the consultant, which options the consultant hereby surrenders, Purchaser agrees to pay to such consultant compensation at the rate of (U.S.) $150,000 per year, effective March 1, 2017.

(ii) The term of the consulting agreement is extended to March 1, 2019.

(iii) In addition to the services described in the consulting agreement, consultant agrees to work collaboratively in support of Purchaser's NeuroShield commercialization team and to facilitate Purchaser's access to Q30's medical professional partners and its existing network of contacts to aid Purchaser in NeuroShield influencer marketing efforts.

8. Termination. In the event the Proposed Transaction does not close in accordance with the terms of the Asset Purchase Agreement, this Agreement shall be void and of no further force or effect, and all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other; provided, however, that the termination of this Agreement shall not of itself effect a termination of any other of the Q30 Agreements.

9. Escrow Arrangement. Within seven (7) calendar days of the Effective Date (as defined below), in full satisfaction and discharge of their payment obligations under Section 6 of this Agreement, the Debtors shall deposit or cause to be deposited (U.S.) into an escrow account (the "Escrow Account") with an escrow agent (the "Escrow Agent") in form and substance reasonably acceptable to the Parties. The Escrow Agent shall be directed to release at closing of the Proposed Transaction to (a) Purchaser, on behalf of Q30, (U.S.) in full satisfaction of Q30's payment obligations to Purchaser under Section 7(a) of this Agreement and (b) Q30 or its authorized designated representative (U.S.) in full satisfaction and discharge (when taken together with the payment to Purchaser in

satisfaction of Q30's obligations described in the immediately preceding clause (a) of this Section 9) of the Debtors' payment obligations to Q30 under Section 6 of this Agreement, and Purchaser's corresponding payment obligations under the License Agreement are satisfied thereby. Alternatively, the Debtors, Purchaser and Q30 may agree that the Purchaser may (x) permanently reduce, without duplication, the Base Purchase Price and the Closing Cash Payment payable to Debtors at closing of the Transaction by (U.S.) and instead wire (U.S.) directly to Q30 at the closing of the Proposed Transaction in full satisfaction and discharge of the Debtors' payment obligations to Q30 under Section 6 of this Agreement, and Purchaser's corresponding payment obligations to Q30 under the License Agreement are satisfied thereby and (y) permanently reduce, without duplication, the Base Purchase Price and the Closing Cash Payment payable to Debtors at closing of the Transaction by (U.S.) and Purchaser may retain such (U.S.) in full satisfaction and discharge of Q30's payment obligations under Section 7(a) of this Agreement. In the event the parties agree to take the actions set forth in the immediately preceding sentence, the Escrow Agent shall be directed to release the (U.S.) directly to the Debtors or their estates.

In the event that the funds are not released or paid to Q30 by the Escrow Agent or the Purchaser, as the case may be, as provided herein, then (a) the License Agreement shall automatically terminate, with no further need to seek relief from the automatic stay in Section 362 of the Bankruptcy Code or the stay of proceedings granted by the CCAA Court, if applicable; (b) the Purchaser's rights under section 8.3(g) of the Asset Purchase Agreement as it relates to the Q30 Agreements referenced therein shall be reinstated in full; and (c) this Agreement (other than the immediately preceding clause (b) and Sections 10(b) – (e)) shall terminate, and all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other.

10. Miscellaneous.

(a) This Agreement shall be effective immediately upon entry of supplemental orders or so-ordered stipulations entered by the Courts, in further approval of the Debtors' motions before both Courts seeking approval of the sale of substantially all of the Debtors' assets to Purchaser [Docket No. 16], which order issued by the U.S. Bankruptcy Court shall be effective immediately upon its entry by the U.S. Bankruptcy Court, notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062 and 9014 (the date of entry of such order, the "Effective Date"). Upon it effectiveness, this Agreement shall be binding upon and inure to the benefit of each of the Parties hereto and their respective successors and assigns, including, without limitation, trustees, responsible persons and representatives of the Debtors' estates. Whenever in this Agreement any of the Parties hereto is referred to, such reference shall be deemed to include the successors and permitted assigns of such Party. The Debtors, the Q30 Released Parties and the Licensee/Purchaser Released Parties are express third party beneficiaries of this Agreement and may rely hereon as if a Party hereto.

(b) To the extent that a provision of this Agreement conflicts with or differs from a provision contained in any of the Q30 Agreements, such provision of this Agreement shall prevail and govern for all purposes and in all respects.

(c) This Agreement shall be governed, interpreted and controlled by the laws of the state of New York without regard to any conflicts of laws provisions thereof. Each party irrevocably consents to the exclusive jurisdiction and venue in the state or federal courts located in New York County, State of New York or the Courts, as the case may be, in connection with any action, suit, proceeding or claim arising under or by reason of this Agreement or the License Agreement. In any action brought to enforce any provision of this Agreement or the License Agreement, all Parties hereto shall bear their own reasonable costs of enforcement, including, without limitation, reasonable attorneys' fees and costs incurred therein.

(d) This Agreement, together with the documents referred to herein, constitutes the entire agreement and understanding between the Parties hereto as to the subject matter hereof, and supersedes all prior discussions, letters of intent, commitment letters, proposal letters, other agreements and understandings of every kind and nature between the parties as to such subject matter. Other than the TM Agreement to the extent provided in Section 7(b), and unless terminated in accordance with section 9, the Q30 Agreements and the Asset Purchase Agreement, as modified hereby, shall remain in full force and effect in accordance with their terms.

(e) This Agreement may be executed in more than one counterpart, all of which shall constitute one and the same instrument. This Agreement may be executed by signatures delivered by facsimile or electronic mail, each of which shall be fully binding on the executing party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Waiver and Consent Agreement to be executed by the respective duly authorized officers of the undersigned and by the undersigned as of the date first written above.

Q30 Parent:

Q30 Sports Science, LLC

By: ______________________
Name: Thomas Hoey
Title: Co-CEO

Q30:

Q30 Sports, LLC

By: ______________________
Name: Thomas Hoey
Title: Co-CEO

Thomas Hoey
Bruce Angus
Each in their individual capacity

____
Thomas Hoey

____
Bruce Angus

9938982 Canada Inc.

By: Samuel Robinson
Name: SAMUEL ROBINSON
Title: PRESIDENT

Licensee

PSG Innovation Corp.

By: ______________________
Name: Michael J. Wall
Title: Executive Vice President, General Counsel and Corporate Secretary

Other Debtors

Performance Sports Group Ltd.
Bauer Hockey Corp.
Bauer Hockey Retail Corp.
Bauer Performance Sports Uniforms Corp.
BPS Canada Intermediate Corp.
BPS Diamond Sports Corp.
Easton Baseball/Softball Corp.
KBAU Holdings Canada, Inc.
Performance Lacrosse Group Corp.
Bauer Hockey, Inc.
Bauer Hockey Retail Inc.
Bauer Performance Sports Uniforms Inc.
BPS Diamond Sports Inc.
BPS US Holdings Inc.
Easton Baseball/Softball Inc.
Performance Lacrosse Group Inc.
PSG Innovation Inc.

By: ______________________
Name: Michael J. Wall
Title: Executive Vice President, General Counsel and Corporate Secretary

IN WITNESS WHEREOF, the parties hereto have caused this Waiver and Consent Agreement to be executed by the respective duly authorized officers of the undersigned and by the undersigned as of the date first written above.

Q30 Parent:

Q30 Sports Science, LLC

By: ______________________
Name: Thomas Hoey
Title: Co-CEO

Q30:

Q30 Sports, LLC

By: ______________________
Name: Thomas Hoey
Title: Co-CEO

Thomas Hoey
Bruce Angus
Each in their individual capacity

____
Thomas Hoey

____
Bruce Angus

9938982 Canada Inc.

By: ______________________
Name:
Title:

Licensee

PSG Innovation Corp.

By: *_/s/ Michael J. Wall_*
Name: Michael J. Wall
Title: Executive Vice President, General Counsel and Corporate Secretary

Other Debtors
Performance Sports Group Ltd.
Bauer Hockey Corp.
Bauer Hockey Retail Corp.
Bauer Performance Sports Uniforms Corp.
BPS Canada Intermediate Corp.
BPS Diamond Sports Corp.
Easton Baseball/Softball Corp.
KBAU Holdings Canada, Inc.
Performance Lacrosse Group Corp.
Bauer Hockey, Inc.
Bauer Hockey Retail Inc.
Bauer Performance Sports Uniforms Inc.
BPS Diamond Sports Inc.
BPS US Holdings Inc.
Easton Baseball/Softball Inc.
Performance Lacrosse Group Inc.
PSG Innovation Inc.

By: *_/s/ Michael J. Wall_*
Name: Michael J. Wall
Title: Executive Vice President, General Counsel and Corporate Secretary

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

Court File No. CV-16-11582-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD ET. AL.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER
(RE: Q30 SETTLEMENT)

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Peter Howard LSUC#: 22056F
E-mail: phoward@stikeman.com
Tel: (416) 869-5613

Kathryn Esaw LSUC#: 58264F
E-mail: kesaw@stikeman.com
Tel: (416) 869-5230

Lee Nicholson LSUC#: 66412I
Tel: (416) 869-5604
E-mail: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicants

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

Court File No: CV-16-11582-00C

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD. ET AL.

Feb 6, 2017

February 6, 2017

The order is signed for all matters except the Q30 opposition.

February 10, 2017

The Q30 opposition has now been resolved.

[signature]

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

MOTION RECORD OF THE APPLICANTS
(RETURNABLE FEBRUARY 6, 2017)

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Peter Howard LSUC#: 22056F
Tel: (416) 869-5613
E-mail: phoward@stikeman.com

Kathryn Esaw LSUC#: 58264F
Tel: (416) 869-6820
E-mail: kesaw@stikeman.com

Lee Nicholson LSUC#66412I
Tel: (416) 869-5604
E-mail: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicants

SUPERIOR COURT OF JUSTICE / COUR SUPÉRIEURE DE JUSTICE
FILED / DÉPOSÉ
JAN 25 2017
AT / À TORONTO
JN
LOCAL REGISTRAR / GREFFIER LOCAL