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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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.

(the "**Applicants**")

MOTION RECORD
(Returnable December 19, 2016)

December 8, 2016

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TO THE SERVICE LIST:

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Applicants

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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.

(the "**Applicants**")

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TAB 1

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

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

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(Applicants)

NOTICE OF MOTION
(Returnable December 19, 2016)

Performance Sports Group Ltd. ("**PSG**"), Bauer Hockey Corp., Bauer Hockey Retail Corp., Bauer Performance Sports Uniform 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 Sport Inc., BPS US Holdings Inc., Easton Baseball/Softball Inc., Performance Lacrosse Group Inc., and PSG Innovation Inc. (collectively, the "**Applicants**" or the "**PSG Entities**"), will make a motion to a judge presiding over the Commercial List on a date to be determined at 1:30 p.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING:

The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form of the draft Order included at Tab 3 of the Applicants' Motion Record approving the payment of additional severance owing to certain former employees, none of whom are "insiders" as that term is used in respect of the U.S. Bankruptcy Code (as defined below) (collectively, the "**Severance Payment Employees**") on account of termination or severance obligations incurred.

2. An Order substantially in the form of the draft Order included at Tab 4 of the Applicants Motion Record approving a process to solicit Claims and Restructuring Claims (as those terms are defined in the Order at Tab 4) against the Applicants and the establishment of claims bar dates for filing Proofs of Claim (the "**Canadian Claims Procedure Order**"); and

3. Such further and other relief as this Court deems just.

THE GROUNDS FOR THE MOTION ARE:

Background

4. The Applicants were granted protection from their creditors pursuant to the Order of Justice Newbould dated October 31, 2016 (the "**Initial Order**"), under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and pursuant to a voluntary petition for relief in the U.S. Bankruptcy Court for the District of Delaware (the "**U.S. Court**") under Chapter 11 of the United States Bankruptcy Code, filed on October 31, 2016 (the "**Chapter 11 Proceedings**" and collectively with the within proceedings, the "**Restructuring Proceedings**");

5. Pursuant to the Initial Order, Ernst & Young Inc. was appointed as monitor (the "**Monitor**") of the Applicants;

6. On November 30, 2016, through a joint-hearing with the U.S. Court, this Court approved a "stalking horse" asset purchase agreement for a going-concern sale to 9938982 Canada Inc. and bidding procedures for the Applicants' sales process (the "**Sales Process**"). On that same date, the U.S. Court granted equivalent relief with respect to the Sales Process;

Payment of Severance Obligations

7. The Applicants are seeking approval to pay certain amounts to the Severance Employees who are, were, or will be contractually entitled to severance payments upon termination of their employment with the Applicants either prior to or during the Restructuring Proceedings (the "**Severance Obligations**");

8. Honouring the Severance Obligations is, in the business judgment of the Applicants, necessary to sustain the morale of current employees;

9. The Applicants are also seeking approval to pay the Severance Obligations from the U.S. Court on or about December 19, 2016;

The Canadian Claims Procedure

10. In order to administer the estate, the Applicants require complete and accurate information regarding the nature, validity and amount of claims that will be made against them;

11. On November 28, 2016, the PSG Entities filed a motion with the U.S. Court for an order, *inter alia,* establishing a claims bar date for claimants to file Proofs of Claim in respect of the Applicants and establishing a claims noticing procedure (the "**U.S. Claims Procedure**");

12. The Applicants seek a corresponding order from this Court establishing bar dates and noticing procedures for: (i) asserting Claims (as this term is defined in the Canadian Claims Procedure Order) that existed as of October 31, 2016 and claims arising as a result of or in connection with the repudiation, termination or restructuring by the Applicants of any contract, lease or other agreement during the Restructuring Proceedings (a "**Restructuring Claim**") and; (ii) providing procedures for completing Proofs of Claim;

13. The Canadian and U.S. claims bar dates for Claims will be February 6, 2017 at 5:00 p.m. (Eastern Time) (the "**Claims Bar Date**") and the claims bar date for Restructuring Claims ("**Restructuring Claims Bar Date**") will be the later of: (i) the Claims Bar Date, and (ii) with respect to the Chapter 11 Proceedings, 30 days after the entry of a rejection order in

the U.S. Court approving the termination of the agreement, and with respect to the CCAA Proceeding, 30 days after the effective date of the disclaimer notice sent by the applicable Debtor in respect of a Disclaimed Contract;

14. In the Chapter 11 Proceedings, a claim of a government entity is deemed to be filed in time if it is filed within 180 days after the filing date. In order to conform to the U.S. requirements, the Applicants have set a claims bar date of May 1, 2017 at 5:00 p.m. (Eastern Time) for government entities asserting Claims against the Applicants ("**Government Claims Bar Date**");

15. The establishment of the Claims Bar Date, Restructuring Claims Bar Date, and Government Claims Bar Date is necessary in order to facilitate and accelerate the identification and valuation of any Claims or Restructuring Claims against the Applicants and to ensure consistency between jurisdictions;

16. The Canadian Claims Procedure Order contemplates a 'reverse' claims procedure, whereby Prime Clerk LLC ("**Prime Clerk**"), noticing agent to the Applicants in the Chapter 11 Proceedings will send a notice to each known creditor (the "**Claims Notice**") indicating the amount of such creditor's claim as of October 31, 2016 based on the Applicants' books and records;

17. The Canadian Claims Procedure Order provides that procedures for reviewing, determining and adjudicating Claims or Restructuring Claims will be established by further Order of the Court. Notice of such procedures will be provided to any person who files a Proof of Claim against the Applicants;

General

18. The provisions of the CCAA, including section 11 thereof, and the inherent and equitable jurisdiction of this Court;

19. Rules 1.05, 2.03, 3.02 and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

20. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

21. The Affidavit of Brian J. Fox sworn December 8, 2016 and the Exhibits attached thereto;

22. The Second Report of the Monitor, to be filed; and

23. Such further and other materials as counsel may advise and this Court may permit.

December 8, 2016

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

Court File No: CV-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

NOTICE OF MOTION

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TAB 2

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

ONTARIO
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(Applicants)

AFFIDAVIT OF BRIAN J. FOX
(Sworn December 8, 2016)

I, BRIAN J. FOX, of the City of Port Washington, in the State of New York, MAKE OATH AND SAY:

1. I am a Managing Director with Alvarez & Marsal North America LLC ("**A&M**") and the Chief Restructuring Officer of Performance Sports Group Ltd. ("**PSG**"), 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., and PSG Innovation Inc. (collectively, the "**Applicants**" or the "**PSG Entities**").

2. As a result of my engagement with the Applicants I have knowledge of the Applicants' business, operations, properties and finances and as such have knowledge of the matters to which I hereinafter depose. I have also reviewed the books and records of the Applicants and have spoken with certain of the directors, officers, employees and/or

advisors of the Applicants as necessary and applicable, and where I have relied upon such information, I have set forth the source and believe such information to be true.

3. This affidavit is sworn in support of the Applicants' motion seeking, among other things:

(a) an Order substantially in the form of the draft Order included at Tab 3 of the within motion record approving the payment of additional severance owing to certain former employees, none of whom are "insiders" as that term is used in respect of the U.S. Bankruptcy Code (as defined below) (collectively, the "**Severance Payment Employees**") on account of termination or severance obligations incurred;[1]

(b) an Order substantially in the form of the draft Order included at Tab 4 of the within motion record approving a process to solicit Claims and Restructuring Claims (as each is defined below) against the Applicants and the establishment of claims bar dates for filing Proofs of Claim (the "**Claims Procedure Order**"); and

(c) such further and other relief as this Court deems just.

A. Background

4. On October 31, 2016, the Applicants sought and obtained an Order (the "**Initial Order**") of this Court (the "**Canadian Court**") providing creditor protection under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") to facilitate a going-concern sale transaction for the benefit of the Applicants' stakeholders. On the same date, the PSG Entities also filed for creditor protection (the "**Chapter 11 Proceedings**") in the United States ("**U.S.**") Bankruptcy Court for the District of Delaware (the "**U.S. Court**" and, together with the Canadian Court, the "**Courts**") under Chapter 11 of Title 11 of the U.S. Code (the "**U.S. Bankruptcy Code**").

[1] All amounts USD unless otherwise noted.

5. Pursuant to the Initial Order, Ernst & Young Inc. was appointed as monitor (the "**Monitor**") of the Applicants in these CCAA proceedings (the "**CCAA Proceedings**" and with the Chapter 11 Proceedings, the "**Restructuring Proceedings**"). A copy of the Initial Order (as amended and restated on November 30, 2016) is attached hereto and marked as **Exhibit "A"**.[2]

6. On November 30, 2016, the Courts approved a sales process (the "**Sales Process**") governing the Restructuring Proceedings, including bidding procedures and an asset purchase agreement dated October 31, 2016 (the "**Stalking Horse Agreement**") for the sale of substantially all of the Applicants' assets to 9938982 Canada Inc., an acquisition vehicle to be co-owned by affiliates of Sagard Capital Partners, L.P. and Fairfax Financial Holdings Limited.

7. Further background on the Restructuring Proceedings is set out in the affidavit of Mark Vendetti sworn October 31, 2016 in support of the Initial Order and my affidavits sworn November 13, 2016 and November 21, 2016 all of which are available on the Monitor's website.

B. Severance Obligations

8. Prior to the commencement of the Restructuring Proceedings, the PSG Entities offered to pay severance to a number of former employees as part of their termination. As at the date of filing, the PSG Entities' total gross severance obligation was approximately $4.1 million (i.e. including estimates for U.S. payroll taxes). Of this $4.1 million, $1.6 million relates to former employees of the Applicants who are not "insiders" as that term is used in the U.S. Bankruptcy Code (such employees being the "**Severance Payment Employees**").

9. On November 30, 2016, the Applicants received authorization from this Court to pay amounts up to $12,850 to the Severance Payment Employees. Severance payments up to the $12,850 amount were paid to U.S. employees during the week of December 5, 2016 and severance payments to Canadian employees are scheduled to be paid during the week of December 12, 2016. The Applicants are seeking authorization to make additional payments

[2] The Initial Order, as well as all other filings in these proceedings, were posted on the Monitor's website at: www.ey.com/ca/psg.

to these Severance Payment Employees on account of termination or severance obligations incurred during the Restructuring Proceedings.

10. As noted above, the payment of these severance obligations captures former employees who were not insiders of the PSG Entities. I am advised by counsel to the Applicants that as the provisions of the U.S. Bankruptcy Code prohibit severance payments to "insiders", which term includes officers and persons in control of the Applicants, the Applicants are not seeking relief from either Court to pay such insiders.

11. Nine Severance Payment Employees are Canadian former employees. As of the date of filing, the severance obligation to these persons was approximately $900,000, of which approximately $80,000 will be paid during the week of December 12, 2016. No former Canadian employees were insiders. Monthly payments to Severance Payment Employees existing as of the date of this affidavit currently total approximately $220,000, of which $110,000 relates to Canadian Severance Payment Employees. These monthly amounts decline as severance obligations are satisfied.

12. One of the Canadian Severance Payment Employees will have had their severance obligations satisfied during the week of December 12, 2016. All of the other Canadian Severance Payment Employees will have reached the USD $12,850 cap on or before December 31, 2016, and two will have reached the cap by the return of this motion.

13. In the PSG Entities' business judgment, paying the severance obligations in the ordinary course is necessary to sustain the morale of current employees, which is critical to ensuring smooth operations of the PSG Entities during the Restructuring Proceedings. Without maximum effort from current employees, there is a danger the PSG Entities will be unable to maintain their current level of operations during the course of the sale process which could be detrimental to the success of the Restructuring Proceedings.

C. The Claims Procedure[3]

14. As described above, the Applicants are carrying out the Sales Process to maximize value for their stakeholders.

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[3] Capitalized terms used in this section but not otherwise defined shall have the meaning attributed to them in the Claims Procedure Order.

15. Based on the purchase price contemplated under the Stalking Horse Agreement, it appears likely that there will be proceeds to distribute to unsecured creditors. In order to make distributions to unsecured creditors, the PSG Entities require, among other things, complete and accurate information regarding the nature, validity and amount of Claims[4] that will be made against them. The proposed claims process will facilitate the identification and quantification of the universe of claims against the Applicants.

16. The Applicants are coordinating the claims process in the CCAA Proceeding and Chapter 11 Proceedings.[5] The Claims Procedure Order creates a framework for a comprehensive claims process that is consistent across the two jurisdictions in which they have filed.

17. The Claims Procedure Order sets a claims bar date of February 6, 2017 at 5:00 p.m. (Eastern Time) (the "**Claims Bar Date**") for claimants asserting a claim that existed as of October 31, 2016 to file a Proof of Claim (as that term is defined below).

18. In the Chapter 11 Proceedings, a claim of a government entity is deemed to be filed in time if it is filed within 180 days after the filing date. In order to conform to the U.S. requirements, the Applicants have set a claims bar date of May 1, 2017 at 5:00 p.m. (Eastern Time) for government entities asserting Claims against the Applicants.

19. For claims arising as a result of or in connection with the repudiation, termination or restructuring by the Applicants of any contract, lease or other agreement during the Restructuring Proceedings (a "**Restructuring Claim**"), the bar date will be the later of (i) the

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[4] Any right or claim of any Person against one or more of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever of one or more of the Applicants, whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation any claim arising from or caused by the repudiation by an Applicant of any contract, lease or other agreement, whether written or oral, the commission of a tort (intentional or unintentional), any breach of duty (legal, statutory, equitable, fiduciary or otherwise), or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed on the Canadian Filing Date, together with any other claims of any kind that, if unsecured, would constitute a debt provable in bankruptcy within the meaning of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3.

[5] In conjunction with this motion, the PSG Entities are bringing a motion in the U.S. Court for approval of the same claims bar date. Attached hereto and marked as **Exhibit "B"** is a copy of the PSG Entities' U.S. Bar Date Motion.

Claims Bar Date, and (ii) with respect to the Chapter 11 Proceedings, 30 days after the entry of a rejection order in the U.S. Court approving the termination of the agreement, and with respect to the CCAA Proceeding, 30 days after the effective date of the disclaimer notice sent by the applicable Debtor in respect of a Disclaimed Contract.

20. The Claims Procedure Order provides that the applicable procedure for reviewing and determining claims will be established by future orders of this Court and the U.S. Bankruptcy Court.

a. The Reverse Claims Procedure

21. To ensure the timely administration of the estate and to facilitate cooperation with the U.S. Court, the Claims Procedure Order does not require that a claimant file a proof of claim in order to participate in the claims process. Instead, the Applicants will follow a 'reverse' claims procedure: Prime Clerk LLC ("**Prime Clerk**"), noticing agent to the Applicants in the Chapter 11 Proceedings, and as overseen by the Applicants and the Monitor, will send a claims package to each known creditor consisting of a notice (the "**Claims Notice**") and a blank proof of claim form (the "**Proof of Claim**").

22. The Claims Notice will include the following information:

(a) the identity of the Applicant against which the entity's claim is scheduled;

(b) the amount of such person's claim as of October 31, 2016 based on the Applicants' books and records, if any;

(c) whether the claim is listed as disputed, contingent or unliquidated; and

(d) whether the claim is listed as a secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable U.S. or Canadian law in connection with the Restructuring Proceedings.

23. If the recipient agrees with the information provided in the Claims Notice, no action is required. If the recipient disagrees with the information provided in the Claims Notice, the recipient must complete and submit the Proof of Claim to Prime Clerk by the applicable

claims bar date. If no Proof of Claim is submitted, the claim will be, subject to further order of this Court and the U.S. Court, conclusively deemed to be as shown in the Claims Notice.

24. Any party that does not receive a Claims Notice (including a person with a Restructuring Claim) but wishes to file a Proof of Claim must do so by the applicable claims bar date.

25. Certain other parties will be relieved from the obligation to file a Proof of Claim, including:

(a) any party whose claim against an Applicants which has previously been allowed or paid;

(b) any party with an intercompany claims against the Applicants;

(c) any current officer, director or employee of any of the Applicants asserting a claim for indemnification, contribution or reimbursement;

(d) the lenders under the revolving ABL credit agreement dated as of April 15, 2014; and

(e) the lenders under the term loan credit agreement dated as of April 15, 2014.

26. The procedure by which disputed claims will be reviewed shall be determined by subsequent order of this Court.

b. Notice to Creditors

27. The Claims Procedure Order provides that notice of the claims procedure will be given as follows:

(a) Within five (5) business days after the Claims Procedure Order is entered, Prime Clerk will send a Claims Notice and Proof of Claim to, among others, each creditor disclosed on the Applicants' books and records, counsel to the Unsecured Creditors' Committee, and all parties listed on the Canadian service list in these proceedings;

(b) A Notice to Creditors will be placed in *The Globe and Mail* (National Edition), the international edition of the *Wall Street Journal*, the national edition of *USA Today* and *La Presse* (Saturday edition);

(c) Prime Clerk will cause a copy of the Claims Package to be sent to any Person requesting such information;

(d) The Monitor will cause the Notice to Creditors and the Claims Package to be posted on its website; and

(e) In the event that the Monitor believes that any action taken by an Applicant or Partnership may give rise to a Restructuring Claim, or the Monitor is advised that a Person believes it has a Restructuring Claim, the Monitor shall cause a copy of the Claims Package to be sent to such Creditor.

28. The Applicants believe that six weeks, which is approximately the period of time between the placing of notices in newspapers and on the Monitor's Website, and the Claims Bar Date, is a reasonable and sufficient amount of time for claimants to file a Proof of Claim in accordance with the Claims Procedure Order.

c. Review and Determination of Claims

29. The Claims Procedure Order provides that the applicable procedures for reviewing and determining Claims will be established by further order of this Court. This is in keeping with the ordinary practice in the U.S. Bankruptcy Court whereby relief with respect to the valuation of claims and notice of the claims process is separate from relief with respect to the review and determination of claims.

30. The PSG Entities believe that it is in the best interest of all stakeholders to align the deadlines in the claims process with the U.S. claims process. This allows the PSG Entities to avoid a duplication of efforts in the preparation of materials in their Court filings and in the review and filing of claims across the United States and Canada. By dividing the relief in this manner, the PSG Entities also provide a window that allows them to determine whether – and in what form – a cross-border claims protocol might be necessary in order to coordinate efforts to review and determine claims in the most expeditious and cost-effective fashion.

d. Conclusion

31. It is my belief that the Claims Procedure is fair and reasonable in the circumstances and the timeline contained therein is both necessary and appropriate in order to put the PSG Entities in a position to distribute any potential proceeds of the sale process in excess of secured debt and Court-ordered charges to unsecured creditors.

SWORN BEFORE ME at the City of Exeter, State of New Hampshire, on December 8, 2016. Kathleen Jewkes Commissioner for Taking Affidavits	BRIAN J. FOX

KATHLEEN A. JEWKES, Notary Public
My Commission Expires April 6, 2021

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

AFFIDAVIT OF BRIAN J. FOX
(SWORN DECEMBER 8, 2016)

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Lawyers for the Applicants

TAB A

THIS IS EXHIBIT "A" REFERRED TO
IN THE AFFIDAVIT OF BRIAN J. FOX,
SWORN BEFORE ME,
THIS 8th DAY OF DECEMBER, 2016

Kathleen Jewkes

KATHLEEN A. JEWKES, Notary Public
My Commission Expires April 6, 2021

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 31ST
	)	
JUSTICE NEWBOULD	)	DAY OF OCTOBER, 2016

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)

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark Vendetti sworn October 31, 2016 (the "**Vendetti Affidavit**") and the Exhibits thereto, the affidavit of Brian J. Fox sworn November 13, 2016 and the Exhibits thereto, the affidavit of Brian J. Fox sworn November 21, 2016, the prefiling report of Ernst & Young Inc. ("**EY**") in its capacity as proposed monitor (the "**Monitor**") to the Applicants dated October 31, 2016, and the first report of the Monitor dated November 28, 2016 and on hearing the submissions of counsel for the Applicants, the Monitor, the ABL DIP Lenders (as defined below), Sagard Capital Ltd. ("**Sagard**"), Fairfax Financial Holdings Limited ("**Fairfax**"), the ad hoc committee of certain Pre-Filing Term Lenders (as defined below) (the "**Ad Hoc Committee of Pre-Filing Term Lenders**"), the directors of Performance Sports Group Ltd. ("**PSG**"), the Official Committee of Unsecured Creditors (the "**UCC**"), the ad hoc committee of certain equityholders of PSG (the "**Ad Hoc Committee of Equityholders**"), Q30 Sports, LLC and Q30 Sports Science, LLC and MIPS AB, no one appearing for any other party although duly served as appears from the affidavits of service, filed, and on reading the consent of EY to act as the Monitor:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the

"**Property**"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Vendetti Affidavit or replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as defined below) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, subject to the terms of the ABL DIP Agreement (as defined below) and the Term Loan DIP Credit Agreement (as defined below) and the Budget (as defined in the ABL DIP Agreement), the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

(b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges;

(c) amounts owing for goods and services actually supplied to the Applicants, or to obtain the release of goods contracted for prior to the date of this Order:

   (i) by common carriers, dedicated carriers, freight-forwarders, ocean and lake carriers, parcel carriers, consolidators, brokers and customs agents, with the prior consent of the Monitor for any amounts in excess of $5,000 per transaction, if, in the opinion of the Applicants, it is necessary to prevent the possibility of possessory liens being asserted against any raw materials or finished products ("**Merchandise**") and to continue their business uninterrupted;

   (ii) by third-party warehousers, distributors and logistics providers, based at various locations, with the prior consent of the Monitor for any amounts in excess of $5,000, if, in the opinion of the Applicants, it is necessary to prevent the possibility of possessory liens being asserted against any Merchandise and to continue their business uninterrupted;

   (iii) by third parties such as contractors, builders, and repairers, who may potentially assert liens under applicable law against the Applicants, with the prior consent of the Monitor and in the aggregate maximum amount of $3,000,000, if, in the opinion of the Applicants, it is necessary to prevent the possibility of liens, whether possessory or non-possessory, being asserted against any Property and to continue their business uninterrupted;

(iv) by non-United States or Canadian suppliers from which the Applicants source their manufacturing operations who the Applicants have determined to be critical to the continued operations of the their business, with the prior consent of the Monitor for any amounts in excess of $10,000;

(v) with the prior consent of the Monitor for amounts in excess of $5,000, by any suppliers who delivered goods to the U.S. PSG Entities (as defined in the Vendetti Affidavit) in the twenty days before their filing date in the United States, provided that such suppliers are entitled to be paid pursuant to section 503(9) of Chapter 11 of Title 11 of the United States Code ("**U.S. Code**");

(vi) by any other suppliers, with the prior consent of the Monitor for any amounts in excess of $10,000, if, in the opinion of the Applicants, the supplier is critical to the business and ongoing operations of the Applicants;

(d) any amounts owing in connection with the Applicants' customer programs, which include gift cards, loyalty programs, discounts, warranties allowing refunds and exchanges, and other offers or accommodations the Applicants, in their business judgment, provide to their wholesale customers and/or directly to retail customers;

(e) any province, state or federal taxes or fees up to an individual amount of $1,000 and up to $15,000 in the aggregate; and

(f) amounts owing to employees or former employees of the Applicants on account of termination or severance obligations in connection with the termination of such employees' employment with Applicants, up to the amount if US $12,850.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sale Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that until a real property lease in respect of property located in Canada is disclaimed or resiliated in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, in accordance with the terms of the lease, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court:

(a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date, provided however that the Applicants are hereby authorized and directed to make: (i) all such payments under the ABL DIP Agreement (as defined below), including amounts under the pre-filing asset-based revolving credit facility and interest thereon; and (ii) all payments authorized under the Term Loan DIP Credit Agreement (as defined below), including the payments necessary to complete the Refinancing (as defined in the Term Loan DIP Credit Agreement) and (iii) all payments of interest (at the applicable default rate), fees, costs, expenses (including professional advisor fees and expenses) indemnities and other amounts owing under the term loan credit agreement dated April 15, 2014 (as amended, restated and otherwise modified, the

"**Term Loan Agreement**") between PSG, as borrower, and a syndicate of lenders, as lenders, (the "**Pre-Filing Term Lenders**"); provided that the lenders ("**Pre-Filing ABL Lenders**") under the Applicants' revolving ABL credit facility dated as of April 15, 2014 (the "**Pre-Filing ABL Facility**") shall be entitled to apply receipts and deposits (not including any deposits on account of any advances made under any DIP facility) made to the Applicants' bank accounts against the indebtedness of the Applicants pursuant to their pre-filing ABL credit agreement, whether such indebtedness arose before or after the date of this Order;

(b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property other than as may be contemplated by the U.S. Court (as defined below) in respect of the Applicants' proceedings under Chapter 11 of the U.S. Code; and

(c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the ABL DIP Definitive Documents or Term Loan DIP Definitive Documents (as defined below), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding $250,000 in any one transaction or $1,000,000 in the aggregate;

(b) terminate the employment of such of their employees or temporarily lay off such of its employees as it deems appropriate; and

(c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that the Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises in Canada at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the Canadian leased premises to observe such removal and, if the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such Canadian leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such

landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including November 30, 2016, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**" and collectively "**Proceedings**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of

this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of USD $7.5 million, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 57 and 60 herein.

22. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or

claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPROVAL OF ENGAGEMENT OF CHIEF RESTRUCTURING OFFICER

23. **THIS COURT ORDERS** that the agreement dated as of October 24, 2016 (the "**CRO Engagement Letter**") pursuant to which the Applicants have engaged the services of Brian J. Fox to act as the chief restructuring officer of the Applicants (the "**CRO**"), is hereby approved as of the date of the CRO Engagement Letter, including, without limitation, the payment of fees and expenses contemplated thereby, and the Applicants are authorized to continue the engagement of the CRO on the terms set out in the CRO Engagement Letter.

24. **THIS COURT ORDERS** that the CRO shall be entitled to the benefit of the Administration Charge (as defined below) in respect of any obligations of the Applicants under the CRO Engagement Letter, whether for payment of compensation, fees, expenses, indemnities or otherwise.

25. **THIS COURT ORDERS** that any claims of the CRO under the CRO Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or proposal filed under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**") in respect of the Applicants.

26. **THIS COURT ORDERS** that the CRO shall incur no liability or obligations as a result of its engagement or the carrying out of its mandate under the CRO Engagement Letter, save and except for gross negligence or willful misconduct on its part.

APPROVAL OF CLAIMS AND NOTICING AGENT

27. **THIS COURT ORDERS** that the agreement dated as of September 29, 2016 (the "**Prime Clerk Engagement Letter**"), pursuant to which the Applicants have engaged Prime Clerk LLC to act claims and noticing agent in the United States (the "**Claims and Noticing Agent**") is hereby approved as of the date of the Prime Clerk Engagement Letter, including without limitation, the payment of fees and expenses contemplated thereby, and the Applicants are authorized to continue the engagement of the Claims and Noticing Agent on the terms set out in the Prime Clerk Engagement Letter.

BID PROTECTION CHARGE

28. **THIS COURT ORDERS** that 9938982 Canada Inc. shall be entitled to the benefits of and are hereby granted a charge on the Property for the Break Fee and the expense reimbursement payable under the Stalking Horse Agreement as those terms are defined and referred to in paragraph 161 of the Vendetti Affidavit (the "**Bid Protection Charge**"), which charge shall not exceed USD $20.75 million in respect of all the Property. The Bid Protection Charge shall have the priority set out in paragraphs 57 and 60 herein.

ABL ESCROW

29. **THIS COURT ORDERS** that the Applicants shall pay to the Pre-Filing ABL Lenders the sum of US $250,000 to be held in segregated account to secure contingent indemnification obligations arising under or related to the Pre-Filing ABL Facility (the "**ABL Escrow**"), which shall be released to the Applicants promptly following the expiration of the Challenge Period (as that term is defined in paragraph 53 herein).

APPOINTMENT OF MONITOR

30. **THIS COURT ORDERS** that EY is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the

Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

31. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the ABL DIP Lenders, the Term Loan DIP Lenders, the Pre-Filing ABL Lenders, the Pre-Filing Term Lenders (until the Refinancing been completed), the UCC and Ad Hoc Committee of Equityholders and their respective counsel, financial and other information as agreed to between the Applicants and the ABL DIP Lenders, the Term Loan DIP Lenders, the Pre-Filing ABL Lenders, and the Pre-Filing Term Lenders (until the Refinancing has been completed) which may be used in these proceedings including reporting on a basis to be agreed with the ABL DIP Lenders, the Term Loan DIP Lenders, and the Pre-Filing ABL Lenders and the UCC;

(d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the ABL DIP Lenders and the Term Loan DIP Lenders, which information shall be reviewed with the Monitor and delivered to the ABL DIP Lenders, the Term Loan DIP Lenders, the Pre-Filing ABL Lenders, the UCC and the Ad Hoc Committee of Equityholders and their respective counsel;

(e) advise the Applicants in their development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform their duties arising under this Order;

(h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(i) monitor and have full access to and transparent and timely information regarding the sale process of the Applicants; and

(j) perform such other duties as are required by this Order or by this Court from time to time.

32. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

33. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or

other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

34. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants, including the Pre-Filing ABL Lenders, the Pre-Filing Term Lenders, the ABL DIP Lenders and the Term Loan DIP Lenders, with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

35. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

36. **THIS COURT ORDERS** that the Monitor, United States and Canadian counsel to the Monitor, United States and Canadian counsel to the Applicants, and counsel to the directors of PSG (the "**Case Professionals**") shall be paid their reasonable fees and disbursements in respect of work done in relation to these CCAA proceedings, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Case Professionals on a weekly basis and, in addition, the Applicants are hereby authorized to pay to the Case Professionals retainers in amounts of CAD $100,000 for each Canadian counsel and for the Monitor and USD $100,000 for each United States counsel, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

37. **THIS COURT ORDERS** that the Monitor and its United States and Canadian counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its United States and Canadian counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

38. **THIS COURT ORDERS** that the Case Professionals and the CRO shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed USD $3.75 million in respect of the Fixed Asset (Term) Priority Collateral (as defined in the Vendetti Affidavit), USD $3.75 million in respect of the ABL Priority Collateral (as defined in the Vendetti Affidavit) for an aggregate amount of USD $7.5 million on all Property (including the Fixed Asset (Term) Priority Collateral and the ABL Priority Collateral), in each case plus all accrued and unpaid fees, disbursements, costs and expenses incurred by the Case Professionals and the CRO as at the date on which notice is delivered in the Chapter 11 Proceedings (as defined in the Vendetti Affidavit) requiring the Applicants to fund the Carve-Out, as security for their professional fees and disbursements incurred at the standard rates and charges of the Case Professionals and the CRO. The Administration Charge shall have the priority set out in paragraphs 57 and 60 herein. For greater

certainty, the Administration Charge includes the funds in the Carve-Out and may be satisfied, in whole or in part, from such funds.

ABL DIP FINANCING

39. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility (the "**ABL DIP Facility**") from the lenders party to the ABL DIP Agreement (as defined below) (collectively, the "**ABL DIP Lenders**") in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed USD $200 million unless permitted by further Order of this Court.

40. **THIS COURT ORDERS** that the ABL DIP Facility shall be on the terms and subject to the conditions set forth in the Superpriority Debtor-In-Possession ABL Credit Agreement dated as of October 31, 2016 between the Applicants and the ABL DIP Lenders (the "**ABL DIP Agreement**") as modified by the US Final DIP Order (defined below).

41. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**ABL DIP Definitive Documents**"), as are contemplated by the ABL DIP Agreement or as may be reasonably required by the ABL DIP Lenders pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the ABL DIP Lenders under and pursuant to the ABL DIP Agreement and the ABL DIP Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

42. **THIS COURT ORDERS** that the ABL DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**ABL DIP Charge**") on the Property, which ABL DIP Charge shall not secure an obligation that exists before the date of this Order. The ABL DIP Charge shall have the priority set out in paragraphs 57 and 60 herein.

43. **THIS COURT ORDERS** that, subject to the ABL/Term Intercreditor Agreement dated as of October 31, 2016 (the "**Post-Filing ICA**"), notwithstanding any other provision of this Order:

(a) the ABL DIP Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the ABL DIP Charge or any of the ABL DIP Definitive Documents;

(b) upon the occurrence of an event of default under the ABL DIP Definitive Documents or the ABL DIP Charge, the ABL DIP Lenders, upon 7 days' notice to the Applicants the Monitor and the UCC, may , unless this Court orders otherwise, exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the ABL DIP Agreement, ABL DIP Definitive Documents and the ABL DIP Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the ABL DIP Lenders to the Applicants against the obligations of the Applicants to the ABL DIP Lenders under the ABL DIP Agreement, the ABL DIP Definitive Documents or the ABL DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the ABL DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

44. **THIS COURT ORDERS AND DECLARES** that the ABL DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the BIA, with respect to any advances made under the ABL DIP Agreement and the ABL DIP Definitive Documents.

TERM LOAN DIP FINANCING

45. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility (the "**Term Loan DIP Facility**") from 9938982 Canada Inc. and the other lenders party to the Term Loan DIP Credit Agreement (as defined below) (collectively, the "**Term Loan DIP Lenders**") in order to complete the Refinancing (as defined below) and to finance the Business and general corporate purposes and capital expenditures of the Applicants, provided that (a) the Applicants shall not be permitted to borrow under any Delayed Draw Term Loans (as defined in the Term Loan DIP Credit Agreement) until the Refinancing has been completed; and (b) borrowing under such credit facility shall not exceed USD $361.3 million unless permitted by further order of this Court.

46. **THIS COURT ORDERS** that the Term Loan DIP Facility shall be on the terms and subject to the conditions set forth in the Superpriority Debtor-In-Possession Term Loan Credit Agreement dated as of October 31, 2016 between the Applicants and the Term Loan DIP Lenders (the "**Term Loan DIP Credit Agreement**") as modified by the U.S. Final DIP order.

47. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees, amendments and other definitive documents (collectively, the "**Term Loan DIP Definitive Documents**"), as are contemplated by the Term Loan DIP Credit Agreement or as may be reasonably required by the Term Loan DIP Lenders pursuant to the terms thereof, and the

Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the Term Loan DIP Lenders under and pursuant to the Term Loan DIP Credit Agreement and the Term Loan DIP Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

48. **THIS COURT ORDERS** that the Term Loan DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**Term Loan DIP Charge**") on the Property, which Term Loan DIP Charge shall not secure an obligation that existed before the date of this Order. The Term Loan DIP Charge shall have the priority set out in paragraphs 57 and 60 herein.

49. **THIS COURT ORDERS** that, subject to the Post-Filing ICA, notwithstanding any other provision of this Order:

(a) the Term Loan DIP Lenders may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect or any of the Term Loan DIP Definitive Documents;

(b) upon the occurrence of an event of default under the Term Loan DIP Definitive Documents or the Term Loan DIP Charge, Term Loan DIP Lenders, upon 7 days' notice to the Applicants, the Monitor and the UCC, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Term Loan DIP Credit Agreement and Term Loan DIP Definitive Documents or the Term Loan DIP Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the Term Loan DIP Lenders to the Applicants against the obligations of the Applicants to the Term Loan DIP Lenders under the Term Loan DIP Credit Agreement, the Term Loan DIP Definitive Documents or the Term Loan DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the Term Loan DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

50. **THIS COURT ORDERS AND DECLARES** that the Term Loan DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the BIA, with respect to any advances made under the Term Loan DIP Credit Agreement and the Term Loan DIP Definitive Documents.

51. **THE COURT ORDERS** that the Company in consummating the transactions contemplated by the Term Loan DIP Agreement, which is a "related party transaction" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and subject to a court order under applicable bankruptcy or insolvency laws, is not required to comply with both the formal valuation and minority approval requirements under Sections 5.4 and 5.6, respectively, of MI 61-101.

REFINANCING

52. **THIS COURT ORDERS** that the Refinancing is hereby approved and the Applicants are authorized and directed to carry out the Refinancing in accordance with the terms of the Term Loan DIP Credit Agreement and are further authorized and empowered to complete all transactions and take all actions necessary or desirable to complete the Refinancing.

53. **THIS COURT ORDERS** that, subject to the terms of the Term Loan DIP Credit Agreement and paragraph 54 hereof, the Applicants shall (a) repay in full the obligations outstanding under the Term Loan Agreement (the "**Pre-Filing Term Loan**

Obligations") by distributing the proceeds of the applicable refinancing loans advanced under the Term Loan DIP Facility pursuant to the Term Loan DIP Credit Agreement to the administrative agent under the Term Loan Agreement (the "**Pre-Filing Term Loan Agent**"), and (b) pay in full all of the reasonable and documented fees and expenses of the Pre-Filing Term Loan Agent and of the professional advisors retained by the Ad Hoc Committee of Pre-Filing Term Lenders or the Pre-Filing Term Loan Agent, and (c) upon receipt of the Applicants' payment in satisfaction of the Pre-Filing Term Loan Obligations contemplated in subparagraph (a) above, the Pre-Filing Term Loan Agent shall be authorized and directed to make distributions to the Pre-Filing Term Lenders in accordance with the Term Loan Agreement.

54. **THIS COURT ORDERS** that notwithstanding:

(a) the pendency of these proceedings

(b) any assignment in bankruptcy or any petition for a bankruptcy order now or hereafter issued pursuant to the BIA and any order issued pursuant to any such petition;

(c) any application for a receivership order; or

(d) any provisions of any federal or provincial legislation;

the payments, distributions, and disbursements to or for the account of the Pre-Filing Term Lenders, the Pre-Filing Term Loan Agent and the professionals retained by the Ad Hoc Committee of Pre-Filing Term Lenders or the Pre-Filing Term Loan Agent in connection with the Refinancing, shall be made indefeasibly, free and clear of any Encumbrances (as defined below), including the Charges, shall be binding on any trustee in bankruptcy, interim receiver or receiver that may be appointed in respect of any of the Applicants, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Applicants, the Monitor, the Term Loan DIP Lenders and the Pre-Filing Term Lenders and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation; provided, however, that nothing in this paragraph 54 shall derogate from any rights which a Challenge Party may have to commence a Challenge during the Challenge Period (as such terms are defined in the *Final Order (I) Authorizing the Debtors to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing the Debtors' Use of Cash Collateral Pursuant to 11 U.S.C. § 363; (III) Granting Adequate Protection to Prepetition Secured Creditors Pursuant to 11 U.S.C. § § 361, 362, 363 and 364; and (IV) Granting Related Relief, issued by the U.S. Court dated November 30, 2016* (the "**U.S. Final DIP Order**")), but strictly and solely pursuant to paragraph 31 of the U.S. Final DIP Order, or from the ability of this Court or the U.S. Court to fashion an appropriate remedy in respect of a successful Challenge, and provided further that nothing herein or in the U.S. Final DIP Order shall derogate from the rights of the Pre-Filing Term Lenders and the Pre-Filing Term Loan Agent in response to any such Challenge and the Pre-Filing Term Loan Agent and the Pre-Filing Term Lenders reserve all such rights. Any stakeholder may also reserve its rights with respect to the allocation of any property of the Applicants between jurisdictions.

55. **THIS COURT ORDERS** that, upon completion of the Refinancing, the Pre-Filing Term Loan Agent and the Pre-Filing Term Lenders shall be entitled to and are hereby granted a charge (the "**Pre-Filing Term Loan Charge**") on the Property, which Pre-Filing Term Loan Charge shall secure any indemnification or other obligations (including as to the payment of reasonable and documented legal fees) which may arise under the Term Loan Agreement in the period from and after the Refinancing and throughout the Challenge Period and any related Challenge proceedings, and which Pre-Filing Term Loan Charge shall have the priority set out in paragraphs 57 and 60 herein.

INTERCOMPANY FINANCING

56. **THIS COURT ORDERS** that to the extent that any one or more of the Applicants (the "**Lending Applicant**") after the date of this Order, makes any payment or incurs or discharges any obligation that is a payment or obligation of any one or more of the other Applicants or otherwise transfers value to or for the benefit of one or more of the other Applicants, each of the Lending Applicants are hereby granted a charge (the "**Intercompany Charge**") on all of the Property in the amount of such payment or obligation or transfer. The Intercompany Charge shall have the priority set out in paragraphs 57 and 60 herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

57. **THIS COURT ORDERS** that, until further Order of this Court and subject to paragraph 58 of this Order, the priorities of the Directors' Charge, the Administration Charge, the ABL DIP Charge, Term Loan DIP Charge, the Bid Protection Charge, the Pre-Filing Term Loan Charge, and the Intercompany Charge, as among them and certain existing encumbrances, shall be, with respect to the type of collateral at issue, as follows:

(a) With respect to the Fixed Asset (Term) Priority Collateral:

First – the Administration Charge (to the maximum amount of USD $3.75 million plus all accrued and unpaid fees, disbursements, costs and expenses incurred by the Case Professionals and the CRO as at the date on which notice is delivered in the Chapter 11 Proceedings requiring the Applicants to fund the Carve-Out in respect of the Property specifically in respect of the Fixed Asset (Term) Priority Collateral);

Second – the Term Loan DIP Charge;

Third– the Pre-Filing Term Loan Facility Security (as defined in the Vendetti Affidavit) prior to the completion of the Refinancing, and the Pre-Filing Term Loan Charge from and after the completion of the Refinancing;

Fourth – the ABL DIP Charge;

Fifth – the Pre-Filing ABL Facility Security (as defined in the Vendetti Affidavit);

Sixth – the Bid Protection Charge;

Seventh – the Directors' Charge; and

Eighth – the Intercompany Charge.

(b) With respect to the ABL Priority Collateral:

First – the Administration Charge (to the maximum amount of USD $3.75 million plus all accrued and unpaid fees, disbursements, costs and expenses incurred by the Case Professionals and the CRO as at the date on which notice is delivered in the Chapter 11 Proceedings requiring the Applicants to fund the Carve-Out in respect of the Property specifically in respect of the ABL Priority Collateral);

Second – the ABL DIP Charge;

Third – the Pre-Filing ABL Facility Security;

Fourth – the Pre-Filing Term Loan Facility Security (prior to the Refinancing);

Fifth – the Term Loan DIP Charge;

Sixth – the Bid Protection Charge;

Seventh – the Directors' Charge; and

Eighth – the Intercompany Charge.

(c) With respect to the assets, property and undertakings of PSG Innovation Corp. and PSG Innovation Inc. (the "**PSG Innovation Collateral**"):

First – the Administration Charge;

Second – the Term Loan DIP Charge;

Third – the ABL DIP Charge;

Fourth – the Bid Protection Charge;

Fifth – the Directors' Charge; and

Sixth – the Intercompany Charge.

(d) With respect to all other Property that is not Fixed Asset (Term) Priority Collateral or ABL Priority Collateral or PSG Innovation Collateral:

First – the Administration Charge;

Second – the Term Loan DIP Charge;

Third – the ABL DIP Charge;

Fourth – the Bid Protection Charge;

Fifth – the Directors' Charge; and

Sixth – the Intercompany Charge.

provided, however, that (i) as between the Pre-Filing ABL Lenders, the ABL DIP Lenders and the Term Loan DIP Lenders, nothing in this Order shall derogate from the priorities agreed to by them in the Post-Filing ICA; and (ii) to the extent the PSG Innovation Collateral or the Property described in Paragraph 57(d) above would otherwise constitute ABL Priority Collateral, it shall be treated as such (and otherwise shall be treated as Fixed Asset (Term) Priority Collateral as reflected above).

58. **THIS COURT ORDERS** that, upon completion of the Refinancing, until further Order of this Court, the priorities of the Directors' Charge, the Administration Charge, the ABL DIP Charge, Term Loan DIP Charge the Bid Protection Charge, the Pre-Filing Term Loan Charge, and the Intercompany Charge, as among them and certain existing encumbrances, shall be, with respect to the ABL Priority Collateral:

> First – the Administration Charge (to the maximum amount of USD $3.75 million specifically in respect of the ABL Priority Collateral);
>
> Second – the ABL DIP Charge;
>
> Third – the Pre-Filing ABL Facility Security;
>
> Fourth – the Term Loan DIP Charge;
>
> Fifth – the Directors' Charge (to the maximum amount of USD $7.5 million);
>
> Sixth – the Intercompany Charge;
>
> Seventh – the Pre-Filing Term Loan Charge; and
>
> Eighth – the Bid Protection Charge.

59. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge, the ABL DIP Charge, the Term Loan DIP Charge, the Bid

Protection Charge, the Pre-Filing Term Loan Charge, the Intercompany Charge or the Director's Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

60. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person except as specifically as set out in paragraph 57.

61. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Applicants also obtain the prior written consent of the Monitor, the ABL DIP Lenders, the Term Loan DIP Lenders and the beneficiaries of the Intercompany Charge, the Directors' Charge and the Administration Charge, or further order of this Court.

62. **THIS COURT ORDERS** that the Directors' Charge, the Administration Charge, the Term Loan DIP Credit Agreement, the Term Loan DIP Definitive Documents, the Term Loan DIP Charge, the ABL DIP Agreement, the ABL DIP Definitive Documents and the ABL DIP Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the ABL DIP Lenders and the Term Loan DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors

made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ABL DIP Agreement, the ABL DIP Definitive Documents, the Term Loan DIP Credit Agreement and Term Loan DIP Definitive Documents, shall create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants' execution, delivery or performance of the ABL DIP Agreement, the Term Loan DIP Credit Agreement, the creation of the Charges, or the execution, delivery or performance of the ABL DIP Definitive Documents or the Term Loan DIP Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, ABL DIP Agreement, the ABL DIP Definitive Documents, the Term Loan DIP Credit Agreement and the Term Loan DIP Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law subject to paragraph 54 hereof.

63. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

CROSS BORDER PROTOCOL

64. **THIS COURT ORDERS** that the cross border protocol, in the form attached as Schedule "1" hereto, is hereby approved and shall become effective upon its approval by the U.S. Court and the parties to these proceedings and any other Person shall be governed by it and shall comply with same.

MARSHALLING

65. **THIS COURT ORDERS THAT** none of the Term Loan DIP Lenders, the ABL DIP Lenders, Pre-Filing Term Lenders or the Pre-Filing ABL Lenders shall be subject to the equitable doctrine of "marshaling" or any other similar doctrine; provided, however, that, notwithstanding the foregoing, (i) at any time, upon the occurrence or continuation of an Event of Default under either DIP Facility, any stakeholder retains the right to argue, and the Court retains the right to so order, that the proceeds of assets, property and undertakings which are not Fixed Asset (Term) Priority Collateral or ABL Priority Collateral (the "**Unencumbered Assets**") should only be used to satisfy the obligations under the ABL DIP Facility or Term Loan DIP Facility to the extent such obligations cannot be satisfied in full first from other collateral and/or to argue that such Unencumbered Assets should be sold separately and no earlier than the sale, transfer, foreclosure or other disposition of such other collateral; and (ii) the Applicants, Term Loan DIP Lenders, the ABL DIP Lenders, the Pre-Filing Term Lenders and the Pre-Filing ABL Lenders each reserve their rights to oppose such arguments.

SERVICE AND NOTICE

66. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the national edition of *The Globe and Mail*, the *Wall Street Journal* and *Le Devoir* a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor

who has a claim against the Applicants of more than $5,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that, for the purposes of this list, the Monitor shall not make the names and addresses of creditors who are individuals publicly available.

67. **THIS COURT ORDERS** that the Applicants shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Case Website (as defined below) as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

68. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website (the "**Case Website**") shall be established in accordance with the Protocol with the following URL: www.ey.com/ca/psg.

69. **THIS COURT ORDERS** that the Claims and Noticing Agent is entitled to serve and distribute all motion materials and other notices in these proceedings on behalf of

the Applicants and the Monitor (when and if so instructed by the Applicants or the Monitor) by electronic service in accordance with the Protocol.

70. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants, the Monitor and the Claims and Noticing Agent are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

71. **THIS COURT ORDERS** that, except with respect to urgent motions, all motions in this proceeding are to be brought on not less than seven (7) days' notice to all persons on the Service List and shall specify a date and time for the hearing of the motion.

GENERAL

72. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

73. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

74. **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, 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 to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

75. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

76. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

77. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

Dunphy J.

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

NOV 3 0 2016

PER / PAR:

Schedule 1

Cross-Border Restructuring Protocol

Between the United States Bankruptcy Court for the District of Delaware (Case No. 16-12373 (KJC)) and the Ontario Superior Court of Justice (Court File No. CV-16-11582-00CL)

This cross-border insolvency protocol (the "**Protocol**") shall govern the conduct of all parties in interest in the Restructuring Proceedings (as such term is defined herein).

The Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases (the "**Guidelines**") attached hereto as Schedule "A" are hereby incorporated by reference and form part of this Protocol. Where there is any discrepancy between the Protocol and the Guidelines, this Protocol shall govern.

A. Background

1. Performance Sports Group Ltd. ("**PSG**"), a company incorporated in the Province of British Columbia, is the ultimate parent company of an international enterprise that designs, develops and manufactures high performance sports equipment and related apparel through its various subsidiaries and affiliates in the United States of America (the "**U.S.**"), Canada and other countries. On October 31, 2016 (the "**Filing Date**"), PSG and its direct and indirect subsidiaries listed on Schedule "B" (collectively, the "**Debtors**") commenced cases (the "**Chapter 11 Cases**") under chapter 11 of title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**") in the U.S. in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") and commenced a reorganization proceeding in Canada (the "**Canadian Proceeding**" and together with the Chapter 11 Cases, the "**Restructuring Proceedings**") by filing an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, (the "**CCAA**") with the

Ontario Superior Court of Justice (the "**Canadian Court**" and together with the U.S. Court, the "**Courts**" and each individually, a "**Court**").

2. On the Filing Date, the Canadian Court issued an Order (as may be amended from time to time, the "**Initial Order**") which, *inter alia*: (a) granted the Debtors relief under the CCAA; (b) appointed Ernst & Young Inc. as monitor of the Debtors (in that capacity, the "**Monitor**"), with the rights powers, duties and limitations upon liabilities set forth in the CCAA and the Initial Order; and (c) granted a stay of proceedings in respect of the Debtors.

3. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession under the supervision of the Courts pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the CCAA and the Initial Order. In connection with the Restructuring Proceedings, a Superpriority Debtor-In-Possession Term Loan Credit Agreement dated as of October 31, 2016, was entered into between the Debtors and 9938982 Canada Inc. and the other lenders party to such agreement (collectively, the "**Term Loan DIP Lenders**").

4. The Office of the United States Trustee (the "**U.S. Trustee**") has appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in the Chapter 11 Cases.

B. Purpose and Goals

5. While the Chapter 11 Cases and the Canadian Proceeding are full and separate proceedings pending in the U.S. and Canada, the implementation of administrative procedures and cross-border guidelines is both necessary and desirable to coordinate certain activities in the Restructuring Proceedings, protect the rights of parties thereto, ensure the maintenance of each Court's respective independent

jurisdiction and give effect to any applicable doctrines, including, comity. Accordingly, this Protocol has been developed to promote the following mutually desirable goals and objectives in the Restructuring Proceedings:

a. harmonize and coordinate activities in the Restructuring Proceedings before the Courts;

b. promote the orderly and efficient administration of the Restructuring Proceedings to, among other things, maximize the efficiency of the Restructuring Proceedings, reduce the costs associated therewith and avoid duplication of effort;

c. honor the independence and integrity of the Courts and other courts and tribunals of the U.S. and Canada, respectively;

d. promote international cooperation and respect for comity among the Courts, the Debtors, the Creditors' Committee, the U.S. Representatives (defined below), the Canadian Representatives (defined below), the U.S. Trustee, the Term Loan DIP Lenders and other creditors and interested parties in the Restructuring Proceedings;

e. facilitate the fair, open and efficient administration of the Restructuring Proceedings for the benefit of all of the Debtors' creditors and other interested parties, wherever located; and

f. implement a framework of general principles to address basic administrative issues arising out of the cross-border nature of the Restructuring Proceedings.

As the Restructuring Proceedings progress, the Courts may also jointly determine that other cross-border matters that may arise in the Restructuring Proceedings should be dealt with under and in accordance with the principles of this Protocol. Subject to the provisions of this Protocol, where an issue is to be addressed only to one Court, in rendering a determination in any cross-border matter, such Court may: (a) to the extent practical or advisable, consult with the other Court; and (b) in its sole discretion while considering principles of comity, either (i) render a binding decision after such consultation; (ii) defer to the determination of the other Court by transferring the matter, in whole or part, to the other Court; or (iii) seek a joint hearing of both Courts.

C. Comity and Independence of the Courts

6. The approval and implementation of this Protocol shall not divest nor diminish the U.S. Court's and the Canadian Court's respective independent jurisdiction of the subject matter of the Chapter 11 Cases and the Canadian Proceeding, respectively. By approving and implementing this Protocol, neither the U.S. Court, the Canadian Court, the Debtors, the Canadian Representatives (as defined below), the U.S. Representatives (as defined below), nor any creditors or interested parties shall be deemed to have approved or engaged in any infringement on the sovereignty of the U.S. or Canada.

7. The U.S. Court shall have sole and exclusive jurisdiction and power over the conduct of the Chapter 11 Cases and the hearing and determination of matters arising in the Chapter 11 Cases. The Canadian Court shall have sole and exclusive jurisdiction and power over the conduct of the Canadian Proceeding and the hearing and determination of matters arising in the Canadian Proceeding.

8. In accordance with the principles of comity and independence recognized herein, nothing contained herein shall be construed to:

a. increase, decrease or otherwise modify the independence, sovereignty or jurisdiction of the U.S. Court, the Canadian Court or any other court or tribunal in the U.S. or Canada, including the ability of any such court or tribunal to provide appropriate relief under applicable law on an *ex parte* or "limited notice" basis;

b. require the U.S. Court to take any action that is inconsistent with its obligations under the laws of the U.S.;

c. require the Canadian Court to take any action that is inconsistent with its obligations under the laws of Canada or the laws of the applicable Province therein;

d. require the U.S. Representatives, the Canadian Representatives (collectively, the "**Estate Representatives**"), the Debtors, the Monitor, the Creditors' Committee, or the U.S. Trustee to take any action or refrain from taking any action that would result in a breach of any duty imposed on them by any applicable law;

e. authorize any action that requires the specific approval of one or both of the Courts under the Bankruptcy Code or the CCAA after appropriate notice and a hearing (except to the extent that such action is specifically described in this Protocol); or

f. preclude the Debtors, the Monitor, the Creditors' Committee, the Estate Representatives, the U.S. Trustee, the Term Loan DIP Lenders, any creditor or other interested party from asserting such party's substantive rights under the applicable laws of the U.S., Canada or any other relevant jurisdiction including, without limitation, the rights of parties in interest to appeal from the decisions taken by one or both of the Courts.

9. The Debtors, the Creditors' Committee, the Estate Representatives and their respective employees, members, agents and professionals shall respect and comply with the independent, non-delegable duties imposed upon them by the Bankruptcy Code, the CCAA, the Initial Order, other applicable laws and orders of the Courts.

D. Cooperation

10. To assist in the efficient administration of the Restructuring Proceedings and in recognizing that the Debtors may each be creditors of another Debtor's estate, each of the Debtors and its respective Estate Representatives shall, where appropriate: (a) cooperate with the others in connection with actions taken in both the U.S. Court and the Canadian Court; and (b) take any other appropriate steps to coordinate the

administration of the Restructuring Proceedings for the benefit of the Debtors' respective estates and stakeholders.

11. To harmonize and coordinate the administration of the Restructuring Proceedings, the U.S. Court and the Canadian Court each may coordinate activities and consider whether it is appropriate to defer to the judgment of the other Court. In furtherance of the foregoing:

a. The U.S. Court and the Canadian Court may communicate with one another, with or without counsel present, with respect to any procedural matter relating to the Restructuring Proceedings.

b. If the issue of the proper jurisdiction of either Court to determine an issue is raised by an interested party in either of the Restructuring Proceedings or a written request for a Joint Hearing (as defined below) is made with respect to any relief sought in either Court, the Courts may consult with one another to determine an appropriate process by which the issue of jurisdiction will be determined. Such process shall be subject to submissions by the Debtors, the U.S. Trustee, the Creditors Committee, the Estate Representatives, the Monitor, the Term Loan DIP Lenders and any interested party prior to any determination on the issue of jurisdiction or Joint Hearing request being made by either Court, and such issue of jurisdiction or Joint Hearing request shall be decided prior to the adjudication of the matter in the Court such matter was originally brought.

c. The Courts may, but are not obligated to, coordinate activities in the Restructuring Proceedings such that the subject matter of any particular action, suit, request, application, contested matter or other proceeding is determined in a single Court.

d. The U.S. Court and the Canadian Court may conduct joint hearings (each a "**Joint Hearing**") with respect to any matter relating to the conduct, administration, determination, or disposition of any aspect of the Chapter 11 Cases or the Canadian Proceeding, including, the interpretation or implementation of this Protocol, where both Courts consider such a Joint Hearing to be necessary or advisable, or as otherwise provided herein. With respect to any Joint Hearings, unless otherwise ordered or otherwise agreed to by the Courts, the following procedures will be followed:

i. A telephone or video link shall be established so that both the U.S. Court and the Canadian Court shall be able to simultaneously hear the proceedings in the other Court.

ii. Notices, submissions, motions or applications by any party (collectively, the "**Pleadings**") that are or become the subject of a Joint Hearing shall be made or filed initially only to the Court in which such party is appearing and seeking relief. Promptly after the scheduling of any Joint Hearing, the party submitting such Pleadings to one Court shall file courtesy copies with the other Court. In any event, Pleadings in respect of relief sought from both Courts shall be filed with both Courts.

iii. Any party intending to rely on any written evidentiary materials in support of a submission to the U.S. Court or the Canadian Court in connection with any Joint Hearing or application (collectively, the "**Evidentiary Materials**") shall file or otherwise submit such materials to both Courts in advance of the Joint Hearing. To the fullest extent possible, the Evidentiary Materials filed in each Court shall be identical and shall be consistent with the procedural and evidentiary rules and requirements of each Court.

iv. If a party has not previously appeared in or attorned or does not wish to attorn to the jurisdiction of a Court, it shall be entitled to file Pleadings or Evidentiary Materials in connection with the Joint Hearing without, by the mere act of such filings or appearance, being deemed to have attorned to the jurisdiction of the Court in which such material is filed, so long as it does not request in its materials or submissions any affirmative relief from such Court.

v. The Judge of the U.S. Court and the Justice of the Canadian Court who will preside over the Joint Hearings shall be entitled to communicate with each other in advance of any Joint Hearing, with or without counsel being present, to: (a) establish guidelines for the orderly submission of Pleadings, Evidentiary Materials, and other papers and for the rendering of decisions by the Courts; and (b) to address any related procedural, administrative or preliminary matters.

vi. The Judge of the U.S. Court and the Justice of the Canadian Court who preside over any Joint Hearing, shall be entitled to communicate with each other during or after any Joint Hearing, with or without counsel present, for the purposes of (a) determining whether consistent rulings can be made by both Courts; (b) coordinating the terms upon the Courts' respective rulings; and (c) addressing any other procedural or administrative matters.

12. Notwithstanding the terms of paragraph 11 above, this Protocol recognizes that the U.S. Court and the Canadian Court are independent courts. Accordingly, although the Courts will seek to cooperate and coordinate with each other in good faith, each Court shall be entitled at all times to exercise its independent jurisdiction and authority with respect to: (a) matters presented to and properly before such Court; and (b) the conduct of the parties appearing in such matters.

13. Notwithstanding the foregoing, or anything to the contrary herein, in the interest of cooperation and coordination of these proceedings, each Court shall recognize and consider all privileges applicable to communications between counsel and parties, including those contemplated by the "common interest doctrine " or like privileges, which would be applicable in each respective Court. Such privileges in connection with communications shall be applicable in both Courts with respect to all parties to these proceedings having any requisite common interest.

14. Where one Court has jurisdiction over a matter which requires the application of the law of the jurisdiction of the other Court in order to determine an issue before it, the Court with jurisdiction over such matter may, among other things,

hear expert evidence or seek the advice and direction of the other Court in respect of the foreign law to be applied, subject to paragraph 30 herein.

E. Recognition of Stay of Proceedings

15. The Canadian Court hereby recognizes the validity of the stay of proceedings and actions against or respecting the Debtors and their property under section 362 of the Bankruptcy Code (the "**U.S. Stay**"). In implementing the terms of this paragraph, the Canadian Court may consult with the U.S. Court regarding: (a) the interpretation, extent, scope and applicability of the U.S. Stay and any orders of the U.S. Court modifying or granting relief from the U.S. Stay; and (b) the enforcement of the U.S. Stay in Canada.

16. The U.S. Court hereby recognizes the validity of the stay of proceedings and actions against or respecting the Debtors, their property and the directors and officers of the Debtors under the CCAA and the Initial Order (the "**Canadian Stay**"). In implementing the terms of this paragraph, the U.S. Court may consult with the Canadian Court regarding: (a) the interpretation, extent, scope and applicability of the Canadian Stay and any orders of the Canadian Court modifying or granting relief from the Canadian Stay; and (ii) the enforcement of the Canadian Stay in the U.S.

17. Nothing contained herein shall affect or limit the Debtors' or other parties' rights to assert the applicability or nonapplicability of the U.S. Stay or the Canadian Stay to any particular proceeding, property, asset, activity or other matter, wherever pending or located. Subject to the terms hereof, (a) any motion with respect to the application of the stay of proceedings issued by the Canadian Court in the CCAA shall be heard and determined by the Canadian Court and (b) any motion with respect

to the application of the stay under section 362 of the Bankruptcy Code shall be heard and determined by the U.S. Court.

F. Retention and Compensation of Representatives and Professionals

18. The Monitor, its officers, directors, employees, counsel, agents, and any other professionals retained therefor, wherever located, (collectively, the "**Monitor Parties**") and any other estate representatives in the Canadian Proceeding, including any Company representatives who appear in the Canadian Proceeding (collectively, the "**Canadian Representatives**") shall be subject to the sole and exclusive jurisdiction of the Canadian Court with respect to all matters, including: (a) the Canadian Representatives' appointment and tenure in office; (b) the retention and compensation of the Canadian Representatives; (c) the Canadian Representatives' liability, if any, to any person or entity, including the Debtors and any third parties, in connection with the Restructuring Proceedings; and (d) the hearing and determination of any other matters related to the Canadian Representatives arising in the Canadian Proceeding under the CCAA or other applicable Canadian law. Additionally, the Canadian Representatives: (x) shall not be required to seek approval of their retention in the U.S. Court for services rendered to the Debtors; (y) shall be compensated for their services solely in accordance with the CCAA, the Initial Order and other applicable laws of Canada and the applicable Provinces, or orders of the Canadian Court; and (z) shall not be required to seek approval of their compensation in the U.S. Court.

19. The Monitor Parties shall be entitled to the protections of section 306 of the Bankruptcy Code, the same protections and immunities in the U.S. as those granted to them under the CCAA and the Initial Order. In particular, except as otherwise provided in any subsequent order entered in the Canadian Proceeding, the Monitor

Parties shall incur no liability or obligations as a result of the appointment of the Monitor, the carrying out of its duties or the provisions of the CCAA and the Initial Order by the Monitor Parties, except any such liability arising from actions of the Monitor Parties constituting gross negligence or willful misconduct.

20. Any estate representative appointed in the Chapter 11 Cases, including without limitation, any restructuring officer appointed under section 363 of the Bankruptcy Code and any examiners or trustees appointed in accordance with section 1104 of the Bankruptcy Code (collectively, the "**U.S. Representatives**") shall be subject to the sole and exclusive jurisdiction of the U.S. Court with respect to all matters, including: (a) the U.S. Representatives' appointment and tenure in office; (b) the retention and compensation of the U.S. Representatives; (c) the U.S. Representatives' liability, if any, to any person or entity, including the Debtors and any third parties, in connection with the Restructuring Proceedings; and (d) the hearing and determination of any other matters related to the U.S. Representatives arising in the Chapter 11 Cases under the Bankruptcy Code or other applicable laws of the U.S. Additionally, the U.S. Representatives and their counsel and other professionals retained therefor (in all cases, whether in Canada or U.S.): (x) shall not be required to seek approval of their retention in the Canadian Court; (y) shall be compensated for their services to the Debtors solely in accordance with the Bankruptcy Code and other applicable laws of the U.S. or orders of the U.S. Court; and (z) shall not be required to seek approval of their compensation in the Canadian Court.

21. Any professionals retained by or with the approval of the Debtors for activities performed in Canada or in connection with the Canadian Proceeding, including, in each case, counsel, financial advisors, accountants, consultants and experts

(collectively, the "**Canadian Professionals**") shall be subject to the sole and exclusive jurisdiction of the Canadian Court. Accordingly, the Canadian Professionals: (a) shall be subject to the procedures and standards for retention and compensation applicable in the Canadian Court under the CCAA, the Initial Order any other applicable Canadian law or orders of the Canadian Court; and (b) shall not be required to seek approval of their retention or compensation in the U.S. Court.

22. Any professionals retained by or with approval of the Debtors for activities performed in the U.S. or in connection with the Chapter 11 Cases, including, in each case, counsel, financial advisors, accountants, consultants and experts (collectively, the "**U.S. Professionals**") shall be subject to the sole and exclusive jurisdiction of the U.S. Court. Accordingly, the U.S. Professionals: (a) shall be subject to the procedures and standards for retention and compensation applicable in the U.S. Court under the Bankruptcy Code and any other applicable laws of the U.S. or orders of the U.S. Court; and (b) shall not be required to seek approval of their retention of compensation in the Canadian Court.

23. Subject to paragraph 24 herein, any professional retained by the Creditors' Committee, including in each case, without limitation, counsel and financial advisors (collectively, the "**Committee Professionals**") shall be subject to the sole and exclusive jurisdiction of the U.S. Court. Such Committee Professionals: (a) shall be subject to the procedures and standards for retention and compensation applicable in the U.S. Court under the Bankruptcy Code and any other applicable laws of the United States or orders of the U.S. Court; and (b) shall not be required to seek approval of their retention or compensation in the Canadian Court or any other court.

G. Appearances

24. Upon any appearance or filing, as may be permitted or provided for by the rules of the applicable Court, the Debtors, their creditors and other interested parties in the Restructuring Proceedings, including the Monitor Parties, Creditors Committee, the Estate Representatives, the U.S. Trustee and the Term Loan DIP Lenders, each of which parties shall have the right to appear and be heard in the Chapter 11 Cases and Canadian Proceeding, shall be subject to the personal jurisdiction of the Canadian Court or the U.S. Court, as applicable, with respect to the particular matters as to which they appear before that Court.

H. Claims Protocol

25. It may be necessary to implement a specific claims protocol to address, among other things and without limitation, the timing process, jurisdiction and applicable governing law to be applied to the resolution of claims filed by the Debtors' creditors (including intercompany claims) in the Canadian Proceeding and the Chapter 11 Cases. In such event, and in recognition of the inherent complexities of the inter-company claims that may be asserted in the Restructuring Proceedings, the Debtors shall use commercially reasonable efforts to negotiate a specific claims protocol, in form and substance satisfactory to the Debtors, the Monitor, and the Creditors' Committee, which protocol shall be submitted to the Canadian Court and the U.S. Court for approval. In the event that the Debtors fail to reach agreement among such parties, the Debtors shall file a motion in both the Canadian Court and the U.S. Court seeking approval of such claims protocol.

I. Notices

26. Notice of any Pleading or paper filed in one or both of the Restructuring Proceedings involving or relating to matters addressed by this Protocol and notice of any related hearings or other proceedings shall be given by appropriate means (including, where circumstances warrant, by courier, telecopier, email or other electronic forms of communication) to the following: (a) creditors and interested parties, in accordance with the practice and procedural rules of the jurisdiction where the papers are filed or the proceedings are to occur and orders of the applicable Court; and (b) to the extent not otherwise entitled to receive notice under clause (a) of this paragraph, to counsel to the (i) the Debtors; (ii) the Monitor; (iii) the U.S. Trustee; (iv) the Creditors' Committee; (v) the agents under the Debtors' debtor-in-possession financing facilities; (vi) the agent under the Debtors' prepetition term loan facility and counsel to the ad hoc committee of certain lenders under the prepetition term loan facility (until such facility has been refinanced); (vii) the agent under the Debtors' prepetition ABL facility; (viii) any other statutory committee appointed in the Restructuring Proceedings and such other parties as may be designated by either of the Courts from time to time. Notice in accordance with this paragraph shall be given by the party otherwise responsible for effecting notice in the jurisdiction where the underlying papers are filed or the proceedings are to occur. In addition to the foregoing, upon request by either Court, the Debtors shall provide the U.S. Court or the Canadian Court, as the case may be, with copies of any orders, decisions, opinions, or similar papers issued by the other Court in the Restructuring Proceedings.

27. When any cross-border issues or matters addressed by this Protocol are to be addressed before a Court, notices shall be provided in the manner and to the parties referred to in paragraph 26 above.

J. Effectiveness; Modification

28. This Protocol shall become effective only upon its approval by both the U.S. Court and the Canadian Court.

29. This Protocol may not be supplemented, modified, terminated, or replaced in any manner except upon the approval of both the U.S. Court and the Canadian Court after notice and a hearing. Notice of any legal proceedings to supplement, modify, terminate, or replace this Protocol shall be given in accordance with the notice provisions set forth in paragraph 26 above.

K. Procedure for Resolving Disputes Under This Protocol

30. Disputes relating to the terms, intent, or application of this Protocol may be addressed by interested parties to the U.S. Court, the Canadian Court, or both Courts upon notice in accordance with the notice provisions outlined in paragraph 26 above. In rendering a determination in any such dispute, the Court to which the issue is addressed: (a) shall consult with the other Court; and (b) may, in its sole and exclusive discretion, either: (i) render a binding decision after such consultation; (ii) defer to the determination of the other Court by transferring the matter, in whole or in part, to such other Court; or (iii) seek a Joint Hearing of both Courts in accordance with paragraph 11 above. Notwithstanding the foregoing, in making a determination under this paragraph, each Court shall give due consideration to the independence, comity, and inherent jurisdiction of the other Court established under existing law.

31. In implementing the terms of this Protocol, the U.S. Court and the Canadian Court may, in their sole discretion, provide advice or guidance to the other Court with respect to legal issues in accordance with the following procedures:

a. the U.S. Court or the Canadian Court, as applicable, may determine that such advice or guidance is appropriate under the circumstances;

b. the Court issuing such advice or guidance shall provide it to the other Court in writing;

c. copies of such written advice or guidance shall be served by the applicable Court in accordance with paragraph 26 hereof; and

d. the Courts may jointly decide to invite the Debtors, the Estate Representatives, the U.S. Trustee, the Monitor, the Creditors' Committee, the Term Loan DIP Lenders and any other affected or interested party to make submissions to the appropriate Court in response to or in connection with any written advice or guidance received from the other Court.

32. For clarity, the provisions of paragraph 31 shall not be construed to restrict the ability of either Court to confer as provided in paragraph 11 above whenever it deems it appropriate to do so.

L. Preservation of Rights

33. Except as specifically provided herein, neither the terms of this Protocol nor any actions taken under the terms of this Protocol shall: (a) prejudice or affect the powers, rights, claims, and defenses of the Debtors and their respective estates, the Creditors' Committee, the Estate Representatives, the U.S. Trustee, the Term Loan DIP Lenders or any of the Debtors' creditors under applicable law, including the Bankruptcy Code and the CCAA, and the orders of the Courts; or (b) preclude or prejudice the rights

of any person to assert or pursue such person's substantive rights against any other person under the applicable laws of Canada or the U.S.

Schedule 1

Schedule "B" – List of Debtor Entities

Corporation(s) incorporated under the laws of British Columbia

1. Performance Sports Group Ltd.

Corporation(s) incorporated under the laws of Canada

2. KBAU Holdings Canada, Inc.
3. Bauer Hockey Corp.
4. Easton Baseball/Softball Corp.
5. BPS Diamond Sports Corp.
6. Bauer Hockey Retail Corp.
7. PSG Innovation Corp.
8. Bauer Performance Sports Uniforms Corp.
9. Performance Lacrosse Group Corp.
10. BPS Canada Intermediate Corp.

Corporation(s) incorporated under the laws of Vermont

11. Bauer Hockey, Inc.

Corporation(s) incorporated under the laws of Delaware

12. BPS U.S. Holdings Inc.
13. Easton Baseball/Softball Inc.
14. BPS Diamond Sports Inc.
15. Bauer Hockey Retail Inc.
16. PSG Innovation Inc.
17. Bauer Performance Sports Uniforms Inc.
18. Performance Lacrosse Group Inc.

Schedule 1

Schedule A

THE AMERICAN LAW INSTITUTE

in association with

THE INTERNATIONAL INSOLVENCY INSTITUTE

Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases

As Adopted and Promulgated in Transnational Insolvency: Principles of Cooperation Among the NAFTA Countries

BY

THE AMERICAN LAW INSTITUTE
At Washington, D.C., May 16, 2000

And as Adopted by

THE INTERNATIONAL INSOLVENCY INSTITUTE
At New York, June 10, 2001

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The *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases* were developed by The American Law Institute during and as part of its Transnational Insolvency Project and the use of the *Guidelines* in cross-border cases is specifically permitted and encouraged.

The text of the *Guidelines* is available in English and several other languages including Chinese, French, German, Italian, Japanese, Korean, Portuguese, Russian, Swedish, and Spanish on the website of the International Insolvency Institute at http://www.iiiglobal.org/international/guidelines.html.

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Website: http://www.iiiglobal.org

Foreword by the Director of The American Law Institute

In May of 2000 The American Law Institute gave its final approval to the work of the ALI's Transnational Insolvency Project. This consisted of the four volumes eventually published, after a period of delay required by the need to take into account a newly enacted Mexican Bankruptcy Code, in 2003 under the title of *Transnational Insolvency: Cooperation Among the NAFTA Countries*. These volumes included both the first phase of the project, separate Statements of the bankruptcy laws of Canada, Mexico, and the United States, and the project's culminating phase, a volume comprising *Principles of Cooperation Among the NAFTA Countries.* All reflected the joint input of teams of Reporters and Advisers from each of the three NAFTA countries and a fully transnational perspective. Published by Juris Publishing, Inc., they can be ordered on the ALI website (www.ali.org).

A byproduct of our work on the Principles volume, these *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases* appeared originally as Appendix B of that volume and were approved by the ALI in 2000 along with the rest of the volume. But the *Guidelines* have played a vital and influential role apart from the *Principles*, having been widely translated and distributed, cited and applied by courts, and independently approved by both the International Insolvency Institute and the Insolvency Institute of Canada. Although they were initially developed in the context of a project arrived at improving cooperation among bankruptcy courts within the NAFTA countries, their acceptance by the III, whose members include leaders of the insolvency bar from more than 40 countries, suggests a pertinence and applicability that extends far beyond the ambit of NAFTA. Indeed, there appears to be no reason to restrict the *Guidelines* to insolvency cases; they should prove useful whenever sensible and coherent standards for cooperation among courts involved in overlapping litigation are called for. See, e.g., American Law Institute, International Jurisdiction and Judgments Project § 12(e) (Tentative Draft No. 2, 2004).

The American Law Institute expresses its gratitude to the International Insolvency Institute for its continuing efforts to publicize the *Guidelines* and to make them more widely known to judges and lawyers around the world; to III Chair E. Bruce Leonard of Toronto, who as Canadian Co-Reporter for the Transnational Insolvency Project was the principal drafter of the Guidelines in English and has been primarily responsible for arranging and overseeing their translation into the various other languages in which they now appear; and to the translators themselves, whose work will make the *Guidelines* much more universally accessible. We hope that this greater availability, in these new English and bilingual editions, will help to foster better communication, and thus better understanding, among the diverse courts and legal systems throughout our increasingly globalized world.

LANCE LIEBMAN
Director
The American Law Institute

January 2004

Foreword by the Chair of the International Insolvency Institute

The International Insolvency Institute, a world-wide association of leading insolvency professionals, judges, academics, and regulators, is pleased to recommend the adoption and the application in cross-border and multinational cases of The American Law Institute's *Guidelines Applicable to Court-to-Court Communications in Cross-Border Cases.* The *Guidelines* were reviewed and studied by a Committee of the III and were unanimously approved by its membership at the III's Annual General Meeting and Conference in New York in June 2001.

Since their approval by the III, the *Guidelines* have been applied in several cross-border cases with considerable success in achieving the coordination that is so necessary to preserve values for all of the creditors that are involved in international cases. The III recommends without qualification that insolvency professionals and judges adopt the *Guidelines* at the earliest possible stage of a cross-border case so that they will be in place whenever there is a need for the courts involved to communicate with each other, e.g., whenever the actions of one court could impact on issues that are before the other court.

Although the *Guidelines* were developed in an insolvency context, it has been noted by litigation professionals and judges that the *Guidelines* would be equally valuable and constructive in any international case where two or more courts are involved. In fact, in multijurisdictional litigation, the positive effect of the *Guidelines* would be even greater in cases where several courts are involved. It is important to appreciate that the *Guidelines* require that all domestic practices and procedures be complied with and that the *Guidelines* do not alter or affect the substantive rights of the parties or give any advantage to any party over any other party.

The International Insolvency Institute expresses appreciation to its members who have arranged for the translation of the *Guidelines* into French, German, Italian, Korean, Japanese, Chinese, Portuguese, Russian, and Swedish and extends its appreciation to The American Law Institute for the translation into Spanish. The III also expresses its appreciation to The American Law Institute, the American College of Bankruptcy, and the Ontario Superior Court of Justice Commercial List Committee for their kind and generous financial support in enabling the publication and dissemination of the *Guidelines* in bilingual versions in major countries around the world.

Readers who become aware of cases in which the *Guidelines* have been applied are highly encouraged to provide the details of those cases to the III (fax: 416-360-8877; e-mail: *info@iiiglobal.org*) so that everyone can benefit from the experience and positive results that flow from the adoption and application of the *Guidelines*. The continuing progress of the *Guidelines* and the cases in which the *Guidelines* have been applied will be maintained on the III's website at *www.iiiglobal.org*.

The III and all of its members are very pleased to have been a part of the development and success of the *Guidelines* and commend The American Law Institute for its vision in developing the *Guidelines* and in supporting their worldwide circulation to insolvency professionals, judges, academics, and regulators. The use of the *Guidelines* in international cases will change international insolvencies and reorganizations for the better forever, and the insolvency community owes a considerable debt to The American Law Institute for the inspiration and vision that has made this possible.

E. BRUCE LEONARD
Chairman
The International Insolvency Institute

Toronto, Ontario
March 2004

Judicial Preface

We believe that the advantages of co-operation and co-ordination between Courts is clearly advantageous to all of the stakeholders who are involved in insolvency and reorganization cases that extend beyond the boundaries of one country. The benefit of communications between Courts in international proceedings has been recognized by the United Nations through the *Model Law on Cross-Border Insolvency* developed by the United Nations Commission on International Trade Law and approved by the General Assembly of the United Nations in 1997. The advantages of communications have also been recognized in the European Union Regulation on Insolvency Proceedings which became effective for the Member States of the European Union in 2002.

The *Guidelines for Court-to-Court Communications in Cross-Border Cases* were developed in the American Law Institute's Transnational Insolvency Project involving the NAFTA countries of Mexico, the United States and Canada. The *Guidelines* have been approved by the membership of the ALI and by the International Insolvency Institute whose membership covers over 40 countries from around the world. We appreciate that every country is unique and distinctive and that every country has its own proud legal traditions and concepts. The *Guidelines* are not intended to alter or change the domestic rules or procedures that are applicable in any country and are not intended to affect or curtail the substantive rights of any party in proceedings before the Courts. The *Guidelines* are intended to encourage and facilitate co-operation in international cases while observing all applicable rules and procedures of the Courts that are respectively involved.

The *Guidelines* may be modified to meet either the procedural law of the jurisdiction in question or the particular circumstances in individual cases so as to achieve the greatest level of co-operation possible between the Courts in dealing with a multinational insolvency or liquidation. The *Guidelines*, however, are not restricted to insolvency cases and may be of assistance in dealing with non-insolvency cases that involve more than one country. Several of us have already used the *Guidelines* in cross-border cases and would encourage stakeholders and counsel in international cases to consider the advantages that could be achieved in their cases from the application and implementation of the *Guidelines*.

Mr. Justice David Baragwanath
High Court of New Zealand
Auckland, New Zealand

Chief Justice Donald I. Brenner
Supreme Court of British Columbia
Vancouver

Hon. Sidney B. Brooks
United States Bankruptcy Court
District of Colorado
Denver

Hon. Charles G. Case, II
United States Bankruptcy Court
District of Arizona
Phoenix

Mr. Justice Miodrag Dordević
Supreme Court of Slovenia
Ljubljana

Mr. Justice J.M. Farley
Ontario Superior Court of Justice
Toronto

Hon. James L. Garrity, Jr.
United States Bankruptcy Court
Southern District of New York (Ret'd)
Shearman & Sterling
New York

Hon. Allan L. Gropper
Southern District of New York
United States Bankruptcy Court
New York

Mr. Justice Paul R. Heath
High Court of New Zealand
Auckland, New Zealand

Hon. Hyungdu Kim
Supreme Court of Korea
Seoul

Chief Judge Burton R. Lifland
United States Bankruptcy Appellate
Panel for the Second Circuit
New York

Mr. Justice Gavin Lightman
Royal Courts of Justice
London

Hon. George Paine II
United States Bankruptcy Court
District of Tennessee
Nashville

Hon. Chiyong Rim
District Court
Western District of Seoul
Seoul, Korea

Mr. Justice Adolfo A.N. Rouillon
Court of Appeal
Rosario, Argentina

Hon. Shinjiro Takagi
Supreme Court of Japan (Ret'd)
Industrial Revitalization Corporation of Japan
Tokyo

Mr. Justice Wisit Wisitsora – At
Business Reorganization Office
Government of Thailand
Bangkok

Mr. Justice R.H. Zulman
Supreme Court of Appeal of South Africa
Parklands

Guidelines
Applicable to Court-to-Court Communications in Cross-Border Cases

Introduction:

One of the most essential elements of cooperation in cross-border cases is communication among the administrating authorities of the countries involved. Because of the importance of the courts in insolvency and reorganization proceedings, it is even more essential that the supervising courts be able to coordinate their activities to assure the maximum available benefit for the stakeholders of financially troubled enterprises.

These Guidelines are intended to enhance coordination and harmonization of insolvency proceedings that involve more than one country through communications among the jurisdictions involved. Communications by judges directly with judges or administrators in a foreign country, however, raise issues of credibility and proper procedures. The context alone is likely to create concern in litigants unless the process is transparent and clearly fair. Thus, communication among courts in cross-border cases is both more important and more sensitive than in domestic cases. These Guidelines encourage such communications while channeling them through transparent procedures. The Guidelines are meant to permit rapid cooperation in a developing insolvency case while ensuring due process to all concerned.

A Court intending to employ the Guidelines — in whole or part, with or without modifications — should adopt them formally before applying them. A Court may wish to make its adoption of the Guidelines contingent upon, or temporary until, their adoption by other courts concerned in the matter. The adopting

Court may want to make adoption or continuance conditional upon adoption of the Guidelines by the other Court in a substantially similar form, to ensure that judges, counsel, and parties are not subject to different standards of conduct.

The Guidelines should be adopted following such notice to the parties and counsel as would be given under local procedures with regard to any important procedural decision under similar circumstances. If communication with other courts is urgently needed, the local procedures, including notice requirements, that are used in urgent or emergency situations should be employed, including, if appropriate, an initial period of effectiveness, followed by further consideration of the Guidelines at a later time. Questions about the parties entitled to such notice (for example, all parties or representative parties or representative counsel) and the nature of the court's consideration of any objections (for example, with or without a hearing) are governed by the Rules of Procedure in each jurisdiction and are not addressed in the Guidelines.

The Guidelines are not meant to be static, but are meant to be adapted and modified to fit the circumstances of individual cases and to change and evolve as the international insolvency community gains experience from working with them. They are to apply only in a manner that is consistent with local procedures and local ethical requirements. They do not address the details of notice and procedure that depend upon the law and practice in each jurisdiction. However, the Guidelines represent approaches that are likely to be highly useful in achieving efficient and just resolutions of cross-border insolvency issues. Their use, with such modifications and under such circumstances as may be appropriate in a particular case, is therefore recommended.

Guideline 1

Except in circumstances of urgency, prior to a communication with another Court, the Court should be satisfied that such a communication is consistent with all applicable Rules of Procedure in its country. Where a Court intends to apply these Guidelines (in whole or in part and with or without modifications), the Guidelines to be employed should, wherever possible, be formally adopted before they are applied. Coordination of Guidelines between courts is desirable and officials of both courts may communicate in accordance with Guideline 8(d) with regard to the application and implementation of the Guidelines.

Guideline 2

A Court may communicate with another Court in connection with matters relating to proceedings before it for the purposes of coordinating and harmonizing proceedings before it with those in the other jurisdiction.

Guideline 3

A Court may communicate with an Insolvency Administrator in another jurisdiction or an authorized Representative of the Court in that jurisdiction in connection with the coordination and harmonization of the proceedings before it with the proceedings in the other jurisdiction.

Guideline 4

A Court may permit a duly authorized Insolvency Administrator to communicate with a foreign Court directly, subject to the approval of the foreign Court, or through an Insolvency Administrator in the other jurisdiction or through an authorized Representative of the foreign Court on such terms as the Court considers appropriate.

Guideline 5

A Court may receive communications from a foreign Court or from an authorized Representative of the foreign Court or from a foreign Insolvency Administrator and should respond directly if the communication is from a foreign Court (subject to Guideline 7 in the case of two-way communications) and may respond directly or through an authorized Representative of the Court or through a duly authorized Insolvency Administrator if the communication is from a foreign Insolvency Administrator, subject to local rules concerning ex parte communications.

Guideline 6

Communications from a Court to another Court may take place by or through the Court:

(a) Sending or transmitting copies of formal orders, judgments, opinions, reasons for decision, endorsements, transcripts of proceedings, or other documents directly to the other Court and providing advance notice to counsel for affected parties in such manner as the Court considers appropriate;

(b) Directing counsel or a foreign or domestic Insolvency Administrator to transmit or deliver copies of documents, pleadings, affidavits, factums, briefs, or other documents that are filed or to be filed with the Court to the other Court in such fashion as may be appropriate and providing advance notice to counsel for affected parties in such manner as the Court considers appropriate;

(c) Participating in two-way communications with the other Court by telephone or video conference call or other electronic means, in which case Guideline 7 should apply.

Guideline 7

In the event of communications between the Courts in accordance with Guidelines 2 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by either of the two Courts:

(a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;

(b) The communication between the Courts should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of both Courts, should be treated as an official transcript of the communication;

(c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of either Court, and of any official transcript prepared from a recording should be filed as part of the record in the proceedings and made available to counsel for all parties in both

Courts subject to such Directions as to confidentiality as the Courts may consider appropriate; and

(d) The time and place for communications between the Courts should be to the satisfaction of both Courts. Personnel other than Judges in each Court may communicate fully with each other to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by either of the Courts.

Guideline 8

In the event of communications between the Court and an authorized Representative of the foreign Court or a foreign Insolvency Administrator in accordance with Guidelines 3 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by the Court:

(a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;

(b) The communication should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of the Court, can be treated as an official transcript of the communication;

(c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of the Court, and of any official transcript prepared from a recording should be filed as part of the record in the proceedings and made available to the other Court and to counsel for all parties in both Courts subject to such Directions as to confidentiality as the Court may consider appropriate; and

(d) The time and place for the communication should be to the satisfaction of the Court. Personnel of the Court other than Judges may communicate fully with the authorized Representative of the foreign Court or the foreign Insolvency Administrator to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by the Court.

Guideline 9

A Court may conduct a joint hearing with another Court. In connection with any such joint hearing, the following should apply, unless otherwise ordered or unless otherwise provided in any previously approved Protocol applicable to such joint hearing:

(a) Each Court should be able to simultaneously hear the proceedings in the other Court.

(b) Evidentiary or written materials filed or to be filed in one Court should, in accordance with the Directions of that Court, be transmitted to the other Court or made available electronically in a publicly accessible system in advance of the hearing. Transmittal of such material to the other Court or its public availability in an electronic system should not subject the party filing the material in one Court to the jurisdiction of the other Court.

(c) Submissions or applications by the representative of any party should be made only to the Court in which the representative making the submissions is appearing unless the representative is specifically given permission by the other Court to make submissions to it.

(d) Subject to Guideline 7(b), the Court should be entitled to communicate with the other Court in advance of a joint hearing, with or without counsel being present, to establish Guidelines for the orderly making of submissions and rendering of decisions by the Courts, and to coordinate and resolve any procedural, administrative, or preliminary matters relating to the joint hearing.

(e) Subject to Guideline 7(b), the Court, subsequent to the joint hearing, should be entitled to communicate with the other Court, with or without counsel present, for the purpose of determining whether coordinated orders could be made by both Courts and to coordinate and resolve any procedural or nonsubstantive matters relating to the joint hearing.

Guideline 10

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, recognize and accept as authentic the provisions of statutes, statutory or administrative regulations, and rules of court of general application applicable to the proceedings in the other jurisdiction without the need for further proof or exemplification thereof.

Guideline 11

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, accept that Orders made in the proceedings in the other jurisdiction were duly and properly made or entered on or about their respective dates and accept that such Orders require no further proof or exemplification for purposes of the proceedings before it, subject to all such proper reservations as in the opinion of the Court are appropriate regarding proceedings by way of appeal or review that are actually pending in respect of any such Orders.

Guideline 12

The Court may coordinate proceedings before it with proceedings in another jurisdiction by establishing a Service List that may include parties that are entitled to receive notice of proceedings before the Court in the other jurisdiction ("Non-Resident Parties"). All notices, applications, motions, and other materials served for purposes of the proceedings before the Court may be ordered to also be provided to or served on the Non-Resident Parties by making such materials available electronically in a publicly accessible system or by facsimile transmission, certified or registered mail or delivery by courier, or in such other manner as may be directed by the Court in accordance with the procedures applicable in the Court.

Guideline 13

The Court may issue an Order or issue Directions permitting the foreign Insolvency Administrator or a representative of creditors in the proceedings in the other jurisdiction or an authorized

Representative of the Court in the other jurisdiction to appear and be heard by the Court without thereby becoming subject to the jurisdiction of the Court.

Guideline 14

The Court may direct that any stay of proceedings affecting the parties before it shall, subject to further order of the Court, not apply to applications or motions brought by such parties before the other Court or that relief be granted to permit such parties to bring such applications or motions before the other Court on such terms and conditions as it considers appropriate. Court-to-Court communications in accordance with Guidelines 6 and 7 hereof may take place if an application or motion brought before the Court affects or might affect issues or proceedings in the Court in the other jurisdiction.

Guideline 15

A Court may communicate with a Court in another jurisdiction or with an authorized Representative of such Court in the manner prescribed by these Guidelines for purposes of coordinating and harmonizing proceedings before it with proceedings in the other jurisdiction regardless of the form of the proceedings before it or before the other Court wherever there is commonality among the issues and/or the parties in the proceedings. The Court should, absent compelling reasons to the contrary, so communicate with the Court in the other jurisdiction where the interests of justice so require.

Guideline 16

Directions issued by the Court under these Guidelines are subject to such amendments, modifications, and extensions as may be considered appropriate by the Court for the purposes described above and to reflect the changes and developments from time to time in the proceedings before it and before the other Court. Any Directions may be supplemented, modified, and restated from time to time and such modifications, amendments, and restatements should become effective upon being accepted by both Courts. If either Court intends to supplement, change, or abrogate Directions issued under these Guidelines in the absence of joint approval by both Courts, the Court should give the other Courts involved reasonable notice of its intention to do so.

Guideline 17

Arrangements contemplated under these Guidelines do not constitute a compromise or waiver by the Court of any powers, responsibilities, or authority and do not constitute a substantive determination of any matter in controversy before the Court or before the other Court nor a waiver by any of the parties of any of their substantive rights and claims or a diminution of the effect of any of the Orders made by the Court or the other Court.

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

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

TAB B

THIS IS EXHIBIT "B" REFERRED TO
IN THE AFFIDAVIT OF BRIAN J. FOX,
SWORN BEFORE ME,
THIS 8th DAY OF DECEMBER, 2016

KATHLEEN A. JEWKES, Notary Public
My Commission Expires April 6, 2021

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
BPS US Holdings Inc., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)
	)	**Hearing Date: Dec. 19, 2016 at 1:30 p.m. (ET)** **Objection Deadline: Dec. 12, 2016 at 4:00 p.m. (ET)**

DEBTORS' MOTION FOR AN ORDER (I) ESTABLISHING BAR DATES FOR FILING CLAIMS AND (II) APPROVING THE FORM AND MANNER OF NOTICE THEREOF

BPS US Holdings Inc. and its above-captioned affiliated debtors and debtors in possession (collectively, the "Debtors") hereby move the Court (the "Motion") for entry of an order, pursuant to section 501 of the Bankruptcy Code, Rules 2002 and 3003(c)(3) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2002-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"): (i) establishing (a) the general bar date (the "General Bar Date") by which all entities, except as otherwise provided herein, must file proofs of claim in these chapter 11 cases asserting a claim against any of the Debtors that arose prior to the Petition Date (as defined below), including, without limitation, claims pursuant to sections 503(b)(9), 507(a)(4) or 507(a)(5) of the Bankruptcy Code, (b) the date by which governmental units must file proofs

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian equivalent, are as follows: BPS US Holdings Inc. (8341); Bauer Hockey, Inc. (3094); Easton Baseball / Softball Inc. (5670); Bauer Hockey Retail Inc. (6663); Bauer Performance Sports Uniforms Inc. (1095); Performance Lacrosse Group Inc. (4200); BPS Diamond Sports Inc. (5909); PSG Innovation Inc. (9408); Performance Sports Group Ltd. (1514); KBAU Holdings Canada, Inc. (5751); Bauer Hockey Retail Corp. (1899); Easton Baseball / Softball Corp. (4068); PSG Innovation Corp. (2165); Bauer Hockey Corp. (4465); BPS Canada Intermediate Corp. (4633); BPS Diamond Sports Corp. (8049); Bauer Performance Sports Uniforms Corp. (2203); and Performance Lacrosse Group Corp. (1249). The Debtors' headquarters are located at 100 Domain Dr., Exeter, New Hampshire 03833.

of claim in these chapter 11 cases (the "Governmental Bar Date"), (c) the date by which entities must file proofs of claim relating to the Debtors' rejection of executory contracts or unexpired leases in these chapter 11 cases (the "Rejection Bar Date"), and (d) the date by which entities must file proofs of claim in these chapter 11 cases as a result of the Debtors' amendment, if any, to their schedules of assets and liabilities and statements of financial affairs (the "Schedules") to be filed in these chapter 11 cases (the "Amended Schedules Bar Date," and collectively with the General Bar Date, the Governmental Bar Date, and the Rejection Bar Date, the "Bar Dates"); and (ii) approving the form and manner of notice of the Bar Dates. In support of this motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012 (the "Amended Standing Order"). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory and legal predicates for the relief sought herein are section 501 of the Bankruptcy Code, Bankruptcy Rules 2002 and 3003(c)(3) and Local Rule 2002-1(e).

BACKGROUND

4. The Debtors are headquartered in the U.S., but conduct substantial business in both the U.S. and Canada. The Debtors incorporated in the U.S. are referred to

herein collectively, as the "U.S. Debtors."[2] The Debtors incorporated in Canada are referred to herein collectively as the "Canadian Debtors."[3]

5. On October 31, 2016 the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the "Chapter 11 Cases"). Each of the Debtors also made application for protection from their creditors under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), in the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court," and the filing, the "Canadian Proceedings"). Unless specifically noted to the contrary, the relief in this Motion applies to all of the Debtors, which relief is substantially similar to – if not exactly the same as – the relief that the Debtors are seeking with respect to these matters in the Canadian Proceedings. The Debtors believe the relief sought herein complies with the requirements of the CCAA and their obligations in the Canadian Proceedings.

6. The Debtors are authorized to continue managing their properties and operating their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

7. On November 1, 2016, the Court entered an order authorizing the Debtors to employ Prime Clerk LLC ("Prime Clerk") as claims and noticing agent in these chapter 11 cases.

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[2] The U.S. Debtors are: BPS US Holdings Inc.; Bauer Hockey, Inc.; Easton Baseball / Softball Inc.; Bauer Hockey Retail Inc.; Bauer Performance Sports Uniforms Inc.; Performance Lacrosse Group Inc.; BPS Diamond Sports Inc.; and PSG Innovation Inc.

[3] The Canadian Debtors are: Performance Sports Group Ltd.; KBAU Holdings Canada, Inc.; Bauer Hockey Retail Corp.; Easton Baseball / Softball Corp.; PSG Innovation Corp.; Bauer Hockey Corp.; BPS Canada Intermediate Corp.; BPS Diamond Sports Corp.; Bauer Performance Sports Uniforms Corp.; and Performance Lacrosse Group Corp..

8. On November 10, 2016, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed a statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the "Creditors' Committee"). A monitor (the "Monitor")[4] has been appointed in the Canadian Proceedings.[5]

9. Additional information about the Debtors' business and the events leading to the commencement of these Chapter 11 Cases and the Canadian Proceedings (together, the "Bankruptcy Proceedings") can be found in the *Declaration of Brian J. Fox in Support of Debtors' Chapter 11 Petitions and First-Day Motions* [D.I. 15] (the "First Day Declaration"), which is incorporated herein by reference.[6]

RELIEF REQUESTED

10. In order for the Debtors to fully administer their chapter 11 estates and seek the greatest possible recovery for their stakeholders, the Debtors require, among other things, complete and accurate information regarding the nature, validity and amount of claims that will be asserted in these chapter 11 cases.[7] Therefore, by this Motion, the Debtors request that, pursuant to Bankruptcy Rule 3003(c)(3) and Local Rule 2002-1(e), the Court (a) establish the Bar Dates and related claims procedures proposed herein and (b) approve the form and manner of notice thereof.

11. The Debtors are coordinating the claim processes in the Chapter 11 Cases and the Canadian Proceedings. Specifically, the Canadian Debtors will file an application

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[4] A monitor in Canada is an independent party appointed by the CCAA Court to monitor the company's operations and to assist with the restructuring of the company. The Monitor reports to the CCAA Court on any material matters and often provides recommendations about a proposed action to the CCAA Court.

[5] In addition, the U.S. Trustee has indicated that it is in the process of appointing an official committee of equity security holders in these Chapter 11 Cases.

[6] Capitalized terms used, but not otherwise defined herein, shall have the meanings ascribed to such terms in the First Day Declaration.

[7] As used in this Motion, the term "claim" has the meaning given to it in section 101(5) of the Bankruptcy Code.

requesting entry of a complementary order (the "CDN Claims Procedures Order") establishing the same Bar Dates (as defined below) so that the Chapter 11 Cases and Canadian Proceedings benefit from a coordinated claims process. The proposed CDN Claims Procedures Order will provide for substantially the same procedures for filing proofs of claim against the Canadian Debtors as the Debtors seek to obtain in this Bar Date Order. As a result, the Debtors believe that the Bar Date Order, when considered in connection with the proposed CDN Claims Procedures Order and Canadian claims process, will create a coordinated and practical procedure for filing proofs of claim, as appropriate, against the U.S. and the Canadian Debtors.[8]

12. Specifically, Prime Clerk will provide notice of the Bar Dates, and mail Bar Date Packages (as defined below) to all creditors, which Bar Date Packages will include instructions to submit a proof of claim to Prime Clerk which proof of claim, if it otherwise satisfies the procedures set forth herein, will satisfy the proof of claim filing procedures in the Canadian Proceedings as well as in these Chapter 11 Cases. Prime Clerk will work in concert with the Monitor for compilation of the necessary CCAA claims registry, which will correspond with the claims registry to be used in these Chapter 11 Cases.

A. Establishment of the Bar Dates

i. General Bar Date

13. Bankruptcy Rule 3003(c)(3) requires that the Court fix a time within which proofs of claim must be filed. Within five (5) business days after an order is entered

[8] The Debtors note that neither the Bar Date Order nor the CDN Claims Procedures Order seek to implement procedures for reviewing, reconciling or determining claims against the U.S. or Canadian Debtors. In an effort to supplement the procedure for filing claims in these Chapter 11 Cases and in the Canadian Proceedings, the Debtors intend to seek this Court's and the Canadian Court's approval of a cross-border claims protocol (the "Cross-Border Claims Protocol") on the filing and determination of claims. The purpose of the Cross-Border Claims Protocol will be to establish efficient and consistent procedures for the reconciliation of claims, in these Chapter 11 Cases and in the Canadian Proceedings. Any such Cross-Border Claims Protocol and motions to establish procedures for claims reconciliation/determination shall be established by further orders of this Court and the Canadian Court and upon proper notice.

approving this Motion and establishing the Bar Dates (the "Bar Date Order"), the Debtors will serve a notice (the "Service Date") of the Bar Dates and a proof of claim form upon all known entities holding potential claims subject to the Bar Dates.

14. The Debtors request that the Court establish February 6, 2017 at 5:00 p.m. (Eastern Time) as the General Bar Date, which is expected to be approximately 48 days after the Service Date. Providing more than 30 days' notice complies with Bankruptcy Rule 2002(a)'s requirement of at least 21 days' notice of the bar date as well as Bankruptcy Rule 2002(p)'s requirement of at least 30 days' notice of the bar date for foreign creditors.

15. Except as otherwise provided herein, the General Bar Date will apply to all claims of any kind that arose prior to the Petition Date (the "General Claims"), whether secured, priority (including, without limitation, claims entitled to priority under sections 503(b)(9), 507(a)(4) or 507(a)(5) of the Bankruptcy Code), unsecured nonpriority claims or claims of similar treatment and priority in the Canadian Proceedings under the CCAA. Unless they fall within one of the exceptions described below, entities holding General Claims must file proofs of claim with respect to such General Claims by the General Bar Date.

16. The Debtors propose that the filing of a proof of claim form be deemed to satisfy the procedural requirements for the assertion of administrative priority claims under section 503(b)(9) of the Bankruptcy Code; provided, however, that all other administrative claims under section 503(b) of the Bankruptcy Code must be asserted by separate requests for payment in accordance with section 503(a) of the Bankruptcy Code, and will not be deemed proper if made by proof of claim.

ii. Governmental Bar Date

17. Pursuant to section 502(b)(9) of the Bankruptcy Code, a proof of claim filed by a governmental unit in these cases is deemed timely if it is filed within 180 days after the Petition Date.[9] The Debtors therefore request that this Court establish May 1, 2017 at 5:00 p.m. Eastern Time as the Governmental Bar Date in these cases. The Governmental Bar Date would apply to all governmental units holding claims against the Debtors (whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable U.S. or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings) that arose prior to the Petition Date, including governmental units with claims against a Debtor for unpaid taxes, whether such claims arise from prepetition tax years or periods or prepetition transactions to which the Debtor was a party.

iii. Rejection Bar Date

18. The Debtors anticipate that certain entities may assert claims in connection with the Debtors' rejection or disclaimer of executory contracts and unexpired leases pursuant to (i) section 365 of the Bankruptcy Code or (ii) section 32 of the CCAA (in each case, a "Disclaimed Contract"). The Debtors propose that, for any claim relating to a Disclaimed Contract (i) with respect to the Chapter 11 Cases, pursuant to an order of the Court, or notice filed, prior to confirmation of the applicable Debtor's plan of reorganization (a "Rejection Order"), or (ii) with respect to the Canadian Proceeding, pursuant to section 32 of the CCAA, the Rejection Bar Date for such a claim will be the later of (i) the General Bar Date, (ii) with respect to the Chapter 11 Cases, 30 days after the entry of the Rejection Order, and (ii) with respect to the Canadian Proceedings, 30 days after the effective date of the disclaimer notice sent by the applicable Debtor in respect of a Disclaimed Contract.

[9] Under Bankruptcy Rule 3002(c)(1), "[a] proof of claim filed by a governmental unit . . . is timely filed if it is filed not later than 180 days after the date of the order for relief."

iv. Amended Schedules Bar Date

19. The Debtors propose that they will retain the right (with the assistance and supervision of the Monitor in the Canadian Proceedings) to: (i) dispute, or assert offsets or defenses against, any filed proofs of claim, or any claim listed or reflected in the Schedules, as to nature, amount, liability, classification or otherwise; (ii) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (iii) otherwise amend or supplement the Schedules.[10] If the Debtors amend or supplement the Schedules (such Schedules, the "Amended Schedules") after the Service Date, the Debtors propose that they will give notice of any Amended Schedules to the holders of claims affected thereby, including notice of the Amended Schedules Bar Date to file proofs of claim in response to the amendment or supplement to the Schedules. In particular, if a Debtor amends or supplements its Schedules to reduce the undisputed, noncontingent and liquidated amount, to change the nature or classification of a claim against the Debtor or to add a new claim in the Amended Schedules, any affected entities that dispute such changes must, by the Amended Schedules Bar Date, file a proof of claim or amend any previously filed proof of claim in respect of the Amended Schedules claim in accordance with the procedures described herein. The Debtors request that the Court establish the Amended Schedules Bar Date as the later of: (a) the General Bar Date; and (b) 30 days after the date that the notice of the Amended Schedules is served on the entity. Notwithstanding the foregoing, nothing contained herein shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

B. Proofs of Claim That Must Be Filed by the General Bar Date

[10] To the extent that the Debtors and the Monitor are unable to reach an agreement with respect to the treatment of any claim or claims in the Canadian Proceedings they will seek a determination from the Canadian Court.

20. Subject to the terms described above for holders of claims subject to the Governmental Bar Date, Rejection Bar Date and the Amended Schedules Bar Date, the Debtors propose that the following entities be required to file proofs of claim, as applicable, on or before the General Bar Date, as applicable:

a. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as any of disputed, contingent, or unliquidated and (ii) that desires to share in any distribution in any of these Chapter 11 Cases or Canadian Proceedings; and

b. any entity that believes that its prepetition claim is improperly classified in the Schedules or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor different from the classification, amount or Debtor identified in the Schedules.

C. Proofs of Claim Not Required to Be Filed By the General Bar Date

21. The Debtors propose that the following entities, whose claims otherwise would be subject to the General Bar Date or the Governmental Bar Date, need not file proofs of claim:

a. any entity that already has filed a signed proof of claim against the applicable Debtor(s) in a form substantially similar to the Proof of Claim Form (defined below) attached hereto as <u>Exhibit B</u> with: (i) the Clerk of the Bankruptcy Court for the District of Delaware; (ii) the Monitor; or (iii) Prime Clerk;

b. any entity (i) whose claim against a Debtor is not listed as "disputed", "contingent", or "unliquidated" in the Schedules or Amended Schedules and (ii) agrees with the nature, classification and amount of its claim as identified in the Schedules or Amended Schedules;

c. any entity whose claim against a Debtor previously has been allowed by, or paid pursuant to, an order of the Court or the Canadian Court;

d. any Debtor or any of their non-debtor affiliates (as such term is defined in section 101(2) of the Bankruptcy Code) or an entity related to any Debtor as such term is defined under section 3(2) of the CCAA, as applicable;

e. any current officer, director or employee of any of the Debtors having a claim against any of the Debtors for indemnification, contribution or reimbursement;

f. the Prepetition ABL Lenders; and

g. the Prepetition Term Loan Lenders.

D. No Requirement to File Proofs of Interest

22. The Debtors propose that any entity holding an interest in the Debtors (an "Interest Holder"), which interest is based exclusively upon the ownership of: (a) stock in Debtor Performance Sports Group Ltd.; or (b) warrants or rights to purchase, sell or subscribe to such stock (any such stock or right to purchase the same being referred to herein as an "Interest"), need not file a proof of claim or proof of interest on or before the General Bar Date on account of such Interest; provided, however, Interest Holders who want to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of the Interest, must file a claim by the applicable Bar Dates, unless another exception identified in this motion applies.

E. Procedures for Providing Notice of and Filing Proofs of Claim

23. The Debtors propose the following procedures for providing notice of the Bar Dates and for filing proofs of claim with respect to General Claims. The Debtors propose to serve on all known entities holding potential General Claims against any of the Debtors: (a) a notice of the Bar Dates substantially in the form of the notice attached hereto as **Exhibit A** and incorporated herein by reference (the "Bar Date Notice"); and (b) a proof of claim form

substantially in the form attached as **Exhibit B**[11] (the "Proof of Claim Form," together with the Bar Date Notice, the "Bar Dates Notice Package").

24. The Bar Date Notice states, among other things, that proofs of claim on account of prepetition claims must be filed with the Debtors' claim and noticing agent, Prime Clerk, on or before the applicable Bar Date. Subject to receiving the proper authorization from the Canadian Court to that effect, which the Debtors intend to seek, the Bar Date Notice will provide that filing a proof of claim form with Prime Clerk satisfies the procedures for filing proofs of claim in both the Chapter 11 Cases and the Canadian Proceedings. The Debtors intend to mail the Bar Date Notice Package by first class United States mail, postage prepaid (or equivalent service), to: (i) all known potential holders of prepetition claims, including all entities listed in the Schedules as potentially holding claims; (ii) the U.S. Trustee; (iii) the Monitor; (iv) counsel to the Creditors' Committee; (v) all parties that have requested notice in these cases pursuant to Bankruptcy Rule 2002 as of the date of the Bar Date Order; (vi) all parties on the service list of that have served a notice of appearance in the Canadian Proceedings as of the date of the CDN Claims Procedure Order; (vii) all parties to executory contracts and unexpired leases of the Debtors; (viii) all parties to litigation with the Debtors; (ix) the Internal Revenue Service for this District and all other taxing authorities for the jurisdictions (including all Canadian jurisdictions) in which the Debtors conduct business; (x) all relevant state and provincial attorneys general; (xi) all holders of record of any Interests in any of the Debtors as of the date of the Bar Date Order; and (xii) such additional persons and entities as deemed appropriate by the

[11] The Debtors, in consultation with the Monitor, have made certain modifications to Official Form 410, to ensure that the Proof of Claim Form for use in these Chapter 11 Cases and the Canadian Proceedings is not confusing to Canadian creditors and also to ensure that the Proof of Claim Form contains all information necessary for review and analysis of the claims in both these Chapter 11 Cases and the Canadian Proceedings.

Debtors. The timing of the Bar Dates will ensure that potential claimants known as of the date hereof will receive approximately 48 days' notice by mail of the General Bar Date.

25. For holders of potential claims listed in the Schedules, the Proof of Claim Form mailed to such entities will indicate how the Debtors have scheduled the creditor's claim in the Schedules, including: (i) the identity of the Debtor against which the entity's claim is scheduled; (ii) the amount of the claim, if any; (iii) whether the claim is listed as disputed, contingent or unliquidated; and (iv) whether the claim is listed as a secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings. Any entity that relies on the information in the Schedules will bear responsibility for determining that its claim is accurately listed therein.

26. For an entity to validly and properly file any claim arising prior to the Petition Date, the entity: (i) must include a signed original of a completed proof of claim, together with any accompanying documentation required by Bankruptcy Rules 3001(c) and 3001(d) or applicable Canadian law and (ii) must upload the proof of claim using the electronic interface on Prime Clerk's website for these Chapter 11 Cases, following the instructions thereon, or deliver the proof of claim to Prime Clerk at the address identified on the Bar Date Notice so that it is received no later than 5:00 p.m., Eastern Time, on the applicable Bar Date. The Debtors propose that claimants may submit proofs of claim via the electronic interface, in person or by courier service, hand delivery or mail. Prime Clerk will not accept proofs of claim submitted by facsimile or electronic mail. Prime Clerk shall deem proofs of claim as filed when actually received (as described in the Bar Date Notice) by one of the approved methods of delivery.

27. Notwithstanding the above process, to the extent an entity submits a proof of claim to the Monitor by the applicable Bar Date, such proof of claim will be forwarded to Prime Clerk for inclusion on the Debtors' official claims register and shall be deemed timely filed.

F. Effect of Failure to File a Proof of Claim Form

28. The Debtors propose that entities that fail to properly file a Proof of Claim Form by the applicable Bar Date be forever barred, estopped and enjoined from: (a) asserting any prepetition claim against the Debtors that such entity may possess and that (i) is in an amount that exceeds the amount, if any, that is identified in the Schedules or Amended Schedules on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature, classification or priority than any claim identified in the Schedules or Amended Schedules on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); and (b) voting upon, or receiving distributions under, any plan of reorganization, compromise or arrangement in these cases or the Canadian Proceedings in respect of an Unscheduled Claim.

G. Filing Claims Against Multiple Debtors; Failure to Identify a Debtor

29. The Debtors also propose that all entities asserting claims against multiple Debtors must file a separate proof of claim form with respect to each such Debtor and identify on each proof of claim form the particular Debtor against which such entities assert their respective claims. Requiring entities to identify the Debtor against which such entity asserts a claim will greatly expedite the Debtors' review of the claims in these cases and will cause no undue burden on claimants. The Debtors also propose that if a form lists multiple Debtors, then the Debtors will treat such claims as filed only against the first listed Debtor.

H. Publication of Bar Date Notice

30. In light of the size, complexity and geographic diversity of the Debtors' operations, potential claims against the Debtors may exist that the Debtors are unable to identify. Such unknown potential claims may include, for example, (a) claims of trade vendors that failed to submit invoices to the Debtors; (b) claims of former employees; (c) claims of entities with potential unasserted causes of action against the Debtors; and (d) claims that, for various other reasons, are not recorded in the Debtors' books and records. Accordingly, the Debtors believe that (a) it is necessary to provide notice of the Bar Dates to entities with potential General Claims whose names and addresses are unknown to the Debtors and (b) it is advisable to provide supplemental notice to known holders of General Claims.

31. Therefore, pursuant to Bankruptcy Rule 2002(l) and 9008, the Debtors request authority to publish notice of the Bar Dates substantially in the form attached hereto as **Exhibit C** (the "Publication Notice") *(i) in French in La Presse; (ii) in English in the National Edition of the Globe and Mail, and (iii) in English in the National Edition of USA Today and the International Edition of the Wall Street Journal* as a means to provide notice of the Bar Dates to such unknown potential claimants. The Debtors will cause such publication to occur no later than seven days after Service Date. As set forth in **Exhibit C** hereto, the Publication Notice will contain (a) a website address where potential claimants may download the Proof of Claim Form and related instructions; and (b) a toll-free number whereby potential claimants can seek additional information with respect to filing General Claims.

32. As a result of all of these procedures and efforts, as well as the anticipated and ongoing public attention to the Debtors' chapter 11 cases and the establishment of the Bar Dates as requested in this Motion, claimants will have or should have the information necessary to be able to file claims in these cases.

NOTICE

33. Notice of this Motion has been given to: (i) the U.S. Trustee; (ii) those parties served with notice of the Comeback Hearing in the Canadian Proceedings; (iii) proposed counsel to the Creditors' Committee; (iv) counsel to the Debtors' prepetition and postpetition lenders; (v) the Monitor; (vi) counsel to the Debtors' Stalking Horse Purchaser; and (vii) all parties requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

WHEREFORE, the Debtors respectfully request that the Court: (i) enter an order substantially in the form attached hereto as **Exhibit D**; and (ii) grant such other and further relief to the Debtors as the Court may deem proper.

Dated: November 28, 2016
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Shane M. Reil
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Sean T. Greecher (No. 4484)
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-and-

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Proposed Co-Counsel to the Debtors and
Debtors in Possession

EXHIBIT A

Form Of Bar Date Notice

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, C. C-36, AS AMENDED.
AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD. *ET. AL.*

- and -

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
BPS US Holdings Inc., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)

NOTICE OF BAR DATES FOR FILING CLAIMS

ANY HOLDER OF A POSSIBLE CLAIM AGAINST THE DEBTORS SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE, SUCH AS WHETHER THE HOLDER SHOULD FILE A PROOF OF CLAIM.

TO ALL KNOWN CREDITORS OF THE ABOVE-CAPTIONED ENTITIES (COLLECTIVELY, THE "DEBTORS"):

On [_________], 2016, the United States Bankruptcy Court for the District of Delaware and the Ontario Superior Court of Justice (Commercial List) (the "Courts") entered orders (together, the "Bar Date Orders") establishing certain claims bar dates.

[1] The Debtors in these Chapter 11 Cases and Canadian Proceedings, along with the last four digits of each Debtor's federal tax identification number or Canadian equivalent, are as follows: BPS US Holdings Inc. (8341); Bauer Hockey, Inc. (3094); Easton Baseball / Softball Inc. (5670); Bauer Hockey Retail Inc. (6663); Bauer Performance Sports Uniforms Inc. (1095); Performance Lacrosse Group Inc. (4200); BPS Diamond Sports Inc. (5909); PSG Innovation Inc. (9408); Performance Sports Group Ltd. (1514); KBAU Holdings Canada, Inc. (5751); Bauer Hockey Retail Corp. (1899); Easton Baseball / Softball Corp. (4068); PSG Innovation Corp. (2165); Bauer Hockey Corp. (4465); BPS Canada Intermediate Corp. (4633); BPS Diamond Sports Corp. (8049); Bauer Performance Sports Uniforms Corp. (2203); and Performance Lacrosse Group Corp. (1249). The Debtors' headquarters are located at 100 Domain Dr., Exeter, New Hampshire 03833.

Pursuant to the Bar Date Orders, the Courts established February 6, 2017 at 5:00 p.m., Eastern Time as the general bar date (the "General Bar Date") for filing prepetition claims in the Debtors' chapter 11 cases (the "Chapter 11 Cases") and the Canadian Proceedings (the "Canadian Proceeding").

As used in this Notice, the term "entity" includes a person, estate, trust, or governmental unit. In addition, the term "persons" includes an individual, partnership, and corporation, and the term "governmental units" means the United States; State; Commonwealth; District; Territory; municipality; foreign state; department, agency, or instrumentality of the United States (but not a United States trustee while serving as a trustee in a chapter 11 case); a State; a Commonwealth; a District; a Territory; a US or Canadian municipality; a provincial government; the Canadian federal government; a Canadian governmental authority; a foreign state; or other foreign or domestic government , respectively.

As used in this Notice, the term "claim" means, as to or against any of the Debtors: (i) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (ii) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

As used in this Notice, "prepetition" has the same meaning as the term "pre-filing".

THE BAR DATES

The Bar Date Orders established the following bar dates for filing claims in these Chapter 11 Cases and the Canadian Proceedings (the collectively, the "Bar Dates"):

a. The General Bar Date. Pursuant to the Bar Date Orders, except as described below, all entities holding claims against the Debtors, whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings that arose before October 31, 2016 (the "Petition Date") must file proofs of claim by the General Bar Date of February 6, 2017 at 5:00 p.m. Eastern Time. All other administrative claims (such as a claim under section 503(b) of the Bankruptcy Code) must be asserted by separate requests for payment and will not be deemed proper if made by proof of claim.

b. The Governmental Bar Date. Pursuant to the Bar Date Orders, except as described below, all governmental units holding claims (whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11

Cases or the Canadian Proceedings) against the Debtors that arose before the Petition Date must file proofs of claim by the Governmental Bar Date of May 1, 2017 at 5:00 p.m. Eastern Time.

c. The Rejection Bar Date. Any entity whose claims arise out of the (i) Court approved rejection of an executory contract or unexpired lease, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation of a plan in the applicable Debtor's case, or (ii) the disclaimer by a Debtor of a contract pursuant to section 32 of the CCAA, must file a proof of claim on or before the later of the applicable deadline (i) the General Bar Date; or (ii) in the Chapter 11 Cases, 30 days after the entry of the order providing for the rejection of such executory contract or unexpired lease in the Chapter 11 Cases; or (iii) in the Canadian Proceeding, 30 days after the effective date of the disclaimer by a Debtor in accordance with section 32 of the CCAA. The later of these dates is referred to in this notice as the "Rejection Bar Date."

d. The Amended Schedules Bar Date. If, subsequent to the mailing date of this notice, a Debtor amends or supplements its Schedules of Assets and Liabilities (the "Schedules") to reduce the undisputed, noncontingent and liquidated amount or to change the nature or classification of a claim against a Debtor reflected therein, any affected entities that dispute such amendments or supplements to the Schedules (such Schedules, the "Amended Schedules") are required to file a proof of claim or amend any previously filed proof of claim in respect of the Amended Schedules claim on or before the later of: (i) the General Bar Date; and (ii) 30 days after the date that notice of the applicable Amended Schedules is served on the claimant. The later of these dates is referred to in this notice as the "Amended Schedule Bar Date."

FILING CLAIMS

1. WHO MUST FILE

Subject to the terms described above for holders of claims subject to the Governmental Bar Date, Rejection Bar Date, and the Amended Schedules Bar Date, the following entities **MUST** file proofs of claim on or before the General Bar Date:

a. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as any of disputed, contingent, or unliquidated and (ii) that desires to share in any distribution in any of these Chapter 11 Cases or Canadian Proceedings; and

b. any entity that believes that its prepetition claim is improperly classified in the Schedules or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor different from the classification, amount or Debtor identified in the Schedules.

2. WHAT TO FILE

Prepetition Claims

The Debtors are enclosing a proof of claim form (the "Proof of Claim Form") for use in these Chapter 11 Cases or Canadian Proceedings, or you may use another proof of claim form that conforms substantially thereto. If your claim is scheduled by the Debtors, the enclosed Proof of Claim Form also sets forth: (i) the amount of your claim (if any) as scheduled; (ii) the specific Debtor against which the claim is scheduled; (iii) whether your claim is scheduled as disputed, contingent or unliquidated; and (iv) whether your claim is listed as a secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable U.S. or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings. You will receive a different proof of claim form for each claim scheduled in your name by the Debtors. You may utilize the proof of claim form(s) provided by the Debtors to file your claim. Additional proof of claim forms may be obtained at the following website: https://cases.primeclerk.com/PSG (the "Claim Agent Website") or the website of the court-appointed Monitor in the Canadian Proceeding: www.ey.com/ca/psg (the "Monitor's Website").

3. WHEN AND WHERE TO FILE

Entities must file each Proof of Claim Form so they are received on or before the applicable Bar Dates, (i) via the electronic interface on the website of the Debtors' claims agent, Prime Clerk LLC, https://cases.primeclerk.com/PSG, or (ii) at the following address:

Performance Sports Group Claims Processing Center
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

Proofs of claim will be deemed filed when **actually received** by Prime Clerk on or before the applicable Bar Date. **Proofs of claim may not be delivered via facsimile or electronic mail transmission**.

Proofs of claim will be collected, docketed and maintained by Prime Clerk for both the Chapter 11 Cases and the Canadian Proceeding. If you want to receive acknowledgement of Prime Clerk's receipt of a proof of claim, you must submit, by the applicable Bar Date and concurrently with submitting your original proof of claim, (i) a copy of the original proof of claim and (ii) a self-addressed, postage prepaid return envelope or follow the instructions on Prime Clerk's website if submitting electronically.

All forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The form must be written in English or French. You should attach to your completed form any documents on which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

Any entity asserting claims against multiple Debtors must file a separate proof of claim form with respect to each Debtor. In addition, any entity filing a claim must identify on its proof of claim form the particular Debtor against which the entity asserts its claim. If an entity lists more than one Debtor on any one form, the relevant claims will be treated as filed **only** against the first listed Debtor.

4. ENTITIES NOT REQUIRED TO FILE A CLAIM

The Bar Date Orders further provide that the following entities, whose claims otherwise would be subject to the General Bar Date or the Governmental Bar Date need not file claims in these cases:

a. any entity that already has filed a signed proof of claim against the applicable Debtor(s) in a form substantially similar to the form enclosed herewith and attached to the Motion as **Exhibit B** with: (i) the Clerk of the Bankruptcy Court for the District of Delaware, the Monitor or (iii) the Debtors' claims and noticing agent, Prime Clerk;

b. any entity (i) whose claim against a Debtor is not listed as "disputed", "contingent", or "unliquidated" in the Schedules or Amended Schedules and (ii) agrees with the nature, classification and amount of its claim as identified in the Schedules or Amended Schedules;

c. any entity whose claim against a Debtor previously has been allowed by, or paid pursuant to, an order of the Courts;

d. any Debtor or any of their non-debtor affiliates (as such term is defined in section 101(2) of the Bankruptcy Code) or an entity related to any Debtor as such term is defined under section 3(2) of the CCAA, as applicable;

e. any current officer, director or employee of any of the Debtors having a claim against any of the Debtors for indemnification, contribution or reimbursement;

f. the Prepetition ABL Lenders; and

g. the Prepetition Term Loan Lenders.

NO REQUIREMENT FOR STOCKHOLDERS TO FILE PROOFS OF INTEREST

Any entity holding an interest in the Debtors (an "Interest Holder"), which interest is based exclusively upon the ownership of: (a) common stock in Performance Sports Group Ltd.; or (b) warrants or rights to purchase, sell or subscribe to such stock (any such stock or aforementioned right related thereto being referred to herein as an "Interest"), need not file a proof of claim or proof of interest on or before the General Bar Date on account of such Interest; provided, however, Interest Holders who want to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of the Interest, must file a claim by the applicable Bar Dates, unless another exception identified in this motion applies.

CONSEQUENCES OF FAILURE TO FILE A CLAIM

Entities that fail to properly file a Proof of Claim Form by the applicable Bar Date shall be barred, estopped and enjoined from: (a) asserting any prepetition claim against the Debtors that such entity may possess and that (i) is in an amount that exceeds the amount, if any, that is identified in the Schedules or Amended Schedules on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature, classification or priority than any claim identified in the Schedules or Amended Schedules on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); and (b) voting upon, or receiving distributions under, any plan of reorganization or arrangement in these Chapter 11 Cases or Canadian Proceedings in respect of an Unscheduled Claim.

RESERVATION OF RIGHTS

The Debtors retain the right to: (i) dispute, or assert offsets or defenses against, any filed proofs of claim, or any claim listed or reflected in the Schedules, as to nature, amount, liability, classification or otherwise; (ii) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (iii) otherwise amend or supplement the Schedules. Notwithstanding the foregoing, nothing contained herein shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

[Remainder of this page intentionally left blank]

ADDITIONAL INFORMATION

If you require additional information regarding the filing of a claim, you may contact Prime Clerk at **855-631-5352** or by submitting an inquiry at https://cases.primeclerk.com/PSG. Copies of the Bar Date Order and other information regarding the Debtors' Chapter 11 Cases are available for inspection free of charge on Prime Clerk's website at: https://cases.primeclerk.com/PSG/Home-Index.

Neither Prime Clerk nor the Monitor can advise you how to file, or whether you should file, a claim. You may wish to consult an attorney regarding this matter

Dated: Wilmington, Delaware and
Toronto, Ontario

BY ORDER OF THE COURTS

________________, 2016

EXHIBIT B

Proof of Claim Form

EXHIBIT C

Publication Notice

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, C. C-36, AS AMENDED.
AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD. *ET. AL.*

- and -

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
BPS US Holdings Inc., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)

NOTICE OF BAR DATES FOR FILING CLAIMS

TO ANY CREDITORS OF THE ABOVE-CAPTIONED ENTITIES (COLLECTIVELY, THE "DEBTORS"):

On [__], 2016, the United States Bankruptcy Court for the District of Delaware and the Ontario Superior Court of Justice (Commercial List) (the "Courts") each entered orders (together, the "Bar Date Orders") establishing certain claims bar dates.

The Bar Date Orders establish the following bar dates for filing proofs of claim in the Debtors' Chapter 11 Cases and Canadian Proceedings under the CCAA (collectively, the "Bar Dates"):

[1] The Debtors in these Chapter 11 Cases and Canadian Proceedings, along with the last four digits of each Debtor's federal tax identification number or Canadian equivalent, are as follows: BPS US Holdings Inc. (8341); Bauer Hockey, Inc. (3094); Easton Baseball / Softball Inc. (5670); Bauer Hockey Retail Inc. (6663); Bauer Performance Sports Uniforms Inc. (1095); Performance Lacrosse Group Inc. (4200); BPS Diamond Sports Inc. (5909); PSG Innovation Inc. (9408); Performance Sports Group Ltd. (1514); KBAU Holdings Canada, Inc. (5751); Bauer Hockey Retail Corp. (1899); Easton Baseball / Softball Corp. (4068); PSG Innovation Corp. (2165); Bauer Hockey Corp. (4465); BPS Canada Intermediate Corp. (4633); BPS Diamond Sports Corp. (8049); Bauer Performance Sports Uniforms Corp. (2203); and Performance Lacrosse Group Corp. (1249). The Debtors' headquarters are located at 100 Domain Dr., Exeter, New Hampshire 03833.

The General Bar Date. Pursuant to the Bar Date Orders, except as described below, all entities holding claims against the Debtors, whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings, that arose before October 31, 2016 (the "Petition Date") must file proofs of claim by the General Bar Date of February 6, 2017 at 5:00 p.m. Eastern Time.

The Governmental Bar Date. Pursuant to the Bar Date Orders, except as described below, all governmental units holding claims (whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings) against the Debtors that arose before the Petition Date must file proofs of claim by the Governmental Bar Date of May 1, 2017 at 5:00 p.m. Eastern Time.

The following entities must file proofs of claim on or before the General Bar Date:

a. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as any of disputed, contingent, or unliquidated and (ii) that desires to share in any distribution in any of these Chapter 11 Cases or Canadian Proceedings; and

b. any entity that believes that its prepetition claim is improperly classified in the Schedules once filed or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor different from the classification, amount or Debtor identified in the Schedules.

Parties asserting claims against the Debtors that arose before the Petition Date may utilize the proof of claim form(s) (the "Proof of Claim Form") available at https://cases.primeclerk.com/PSG (the "Claim Agent Website")) or at the website hosted by the court-appointed Monitor for the Canadian proceeding: www.ey/com/ca/psg.

Entities must file each Proof of Claim Form so they are received on or before the applicable Bar Dates, (i) via the electronic interface available on the Claims Agent Website, or (ii) at the following address:

Performance Sports Group Claims Processing Center
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

Proofs of claim will be deemed filed when **actually received** by the Debtors' claims agent, Prime Clerk, on or before the applicable Bar Date. **Proofs of claim may not be delivered via facsimile or electronic mail transmission**.

Proofs of claim will be collected, docketed and maintained by Prime Clerk. If you want to receive acknowledgement of Prime Clerk's receipt of a proof of claim, you must submit by the applicable Bar Date and concurrently with submitting your original proof of claim (i) a copy of the original proof of claim and (ii) a self-addressed, postage prepaid return envelope or, if submitting electronically, follow the instructions on the Claim's Agent Website.

All forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The form must be written in English or French. You should attach to your completed form any documents on which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

Any entity asserting claims against multiple Debtors must file a separate form with respect to each Debtor. In addition, any entity filing a claim must identify on its form the particular Debtor against which the entity asserts its claim. If an entity lists more than one Debtor on any one form, the relevant claims will be treated as filed **only** against the first listed Debtor.

Entities that fail to properly file a Proof of Claim Form by the applicable Bar Date shall be barred, estopped and enjoined from: (a) asserting any prepetition claim against the Debtors that such entity may possess and that (i) is in an amount that exceeds the amount, if any, that is identified in the Schedules or Amended Schedules on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature, classification or priority than any claim identified in the Schedules or Amended Schedules on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); and (b) voting upon, or receiving distributions under, any plan of reorganization, compromise or arrangement in these cases in respect of an Unscheduled Claim.

If you require additional information regarding the filing of a claim, you may contact Prime Clerk at **855-631-5352** or by submitting an inquiry at https://cases.primeclerk.com/PSG. Copies of the Bar Date Order and other information regarding the Debtors' Chapter 11 Cases are available for inspection free of charge on Prime Clerk's website at: https://cases.primeclerk.com/PSG/Home-Index.

Prime Clerk cannot advise you how to file, or whether you should file, a claim. You may wish to consult an attorney regarding this matter.

A HOLDER OF A POSSIBLE CLAIM AGAINST THE DEBTORS SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE, INCLUDING WHETHER THE HOLDER SHOULD FILE A PROOF OF CLAIM.

Dated: Wilmington, Delaware and
Toronto, Ontario

BY ORDER OF THE COURTS

________________, 2016

EXHIBIT D

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
BPS US Holdings Inc., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)
	)	**Ref. Docket No.** ____

ORDER (I) ESTABLISHING BAR DATES FOR FILING CLAIMS AND (II) APPROVING THE FORM AND MANNER OF NOTICE THEREOF

This matter coming before the Court on the *Debtors' Motion For an Order (I) Establishing Bar Dates for Filing Claims and (II) Approving the Form and Manner of Notice Thereof* (the "Motion"),[2] filed by the above-captioned debtors (collectively, the "Debtors"); the Court having reviewed the Motion and having heard the statements of counsel regarding the relief requested in the Motion at a hearing before the Court (the "Hearing"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and (c) notice of this Motion and the Hearing was sufficient under the circumstances; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein;

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian equivalent, are as follows: BPS US Holdings Inc. (8341); Bauer Hockey, Inc. (3094); Easton Baseball / Softball Inc. (5670); Bauer Hockey Retail Inc. (6663); Bauer Performance Sports Uniforms Inc. (1095); Performance Lacrosse Group Inc. (4200); BPS Diamond Sports Inc. (5909); PSG Innovation Inc. (9408); Performance Sports Group Ltd. (1514); KBAU Holdings Canada, Inc. (5751); Bauer Hockey Retail Corp. (1899); Easton Baseball / Softball Corp. (4068); PSG Innovation Corp. (2165); Bauer Hockey Corp. (4465); BPS Canada Intermediate Corp. (4633); BPS Diamond Sports Corp. (8049); Bauer Performance Sports Uniforms Corp. (2203); and Performance Lacrosse Group Corp. (1249). The Debtors' headquarters are located at 100 Domain Dr., Exeter, New Hampshire 03833.

[2] Capitalized terms not otherwise defined herein have the meanings given to them in the Motion.

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. As used herein, (i) the term "claim" has the meaning given to it in section 101(5) of the Bankruptcy Code, and (ii) the term "entity" has the meaning given to it in section 101(15) of the Bankruptcy Code.

3. The forms of the Bar Date Notice, the Publication Notice, the Proof of Claim Form, and the manner of providing notice of the Bar Dates proposed in the Motion, are approved in all respects. The form and manner of notice of the Bar Dates approved herein satisfy the notice requirements of the Bankruptcy Code and the Bankruptcy Rules. As such, the Debtors are authorized to serve the Bar Dates Notice Package in the manner described below.

4. The General Bar Date. Except as described below, all entities holding claims against the Debtors that arose before the Petition Date must file proofs of claim by the General Bar Date of February 6, 2017 at 5:00 p.m. Eastern Time. The General Bar Date applies to all types of claims against the Debtors that arose prior to the Petition Date, including secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings.

5. The Governmental Bar Date. Pursuant to section 502(b)(9) of the Bankruptcy Code, except as described below, all governmental units holding claims (whether secured, priority or unsecured nonpriority) against the Debtors that arose before the Petition Date must file proofs of claim by the Governmental Bar Date of May 1, 2017 at 5:00 p.m. Eastern Time.

6. The Rejection Bar Date. Any entity whose claims arise out of the (i) Court approved rejection of an executory contract or unexpired lease, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation of a plan in the applicable Debtor's case, or (ii) the disclaimer by a Debtor of a contract pursuant to section 32 of the CCAA, must file a proof of claim on or before the later of the applicable deadline (i) the General Bar Date; or (ii) in the Chapter 11 Cases, 30 days after the entry of the order providing for the rejection of such executory contract or unexpired lease in the Chapter 11 Cases; or (iii) in the Canadian Proceeding, 30 days after the effective date of the disclaimer by a Debtor in accordance with section 32 of the CCAA. The later of these dates, as applicable, is referred to as the "Rejection Bar Date."

7. The Amended Schedules Bar Date. If subsequent to the mailing date of this notice, a Debtor amends or supplements its Schedules of Assets and Liabilities (the "Schedules") to reduce the undisputed, noncontingent and liquidated amount or to change the nature or classification of a claim against a Debtor reflected therein, any affected entities that dispute such amendments or supplements to the Schedules (such Schedules, the "Amended Schedules") are required to file a proof of claim or amend any previously filed proof of claim in respect of the Amended Schedules claim on or before the later of: (i) the General Bar Date; and (ii) 30 days after the date that notice of the applicable Amended Schedules is served on the claimant. The later of these dates is referred to in this order as the "Amended Schedule Bar Date."

8. Subject to the terms described in this order for holders of claims subject to the Governmental Bar Date, Rejection Bar Date, and the Amended Schedules Bar Date, the following entities must file proofs of claim on or before the General Bar Date:

a. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as any of disputed, contingent, or unliquidated and (ii) that desires to share in any distribution in any of these Chapter 11 Cases or the Canadian Proceedings; and

b. any entity that believes that its prepetition claim is improperly classified in the Schedules or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor different from the classification, amount or Debtor identified in the Schedules.

9. The following entities, whose claims otherwise would be subject to the General Bar Date or the Governmental Bar Date, need not file claims in these cases:

a. any entity that already has filed a signed proof of claim against the applicable Debtor(s) in a form substantially similar to the Proof of Claim Form attached to the Motion as **Exhibit B** with: (i) the Clerk of the Bankruptcy Court for the District of Delaware; (ii) the Monitor; or (iii) the Debtors' claims and noticing agent, Prime Clerk, LLC ("Prime Clerk");

b. any entity (i) whose claim against a Debtor is not listed as "disputed", "contingent", or "unliquidated" in the Schedules or Amended Schedules and (ii) agrees with the nature, classification and amount of its claim as identified in the Schedules;

c. any entity whose claim against a Debtor previously has been allowed by, or paid pursuant to, an order of the Court or the Canadian Court;

d. any Debtor or any of their non-debtor affiliates (as such term is defined in section 101(2) of the Bankruptcy Code) or an entity related to any Debtor as such term is defined under section 3(2) of the CCAA, as applicable;

e. any current officer, director or employee of any of the Debtors having a claim against any of the Debtors for indemnification, contribution or reimbursement;

f. the Prepetition ABL Lenders; and

g. the Prepetition Term Loan Lenders.

10. Parties asserting claims against the Debtors that accrued before the Petition Date must use a proof of claim form (the "Proof of Claim Form") substantially in the form attached as **Exhibit B** to the Motion.

11. The filing of a proof of claim form shall be deemed to satisfy the procedural requirements for the assertion of administrative priority claims under section 503(b)(9) of the Bankruptcy Code. All other administrative claims under section 503(b) of the Bankruptcy Code, other than claims under section 503(b)(9) of the Bankruptcy Code, must be asserted by separate requests for payment in accordance with section 503(a) of the Bankruptcy Code, and will not be deemed proper if made by proof of claim.

12. The following procedures for the filing of a Proof of Claim Form shall apply:

a. Entities must file each Proof of Claim Form so they are received on or before the applicable Bar Dates at the following address: Performance Sports Group Claims Processing Center, c/o Prime Clerk LLC, 830 3rd Avenue, 3rd Floor, New York, NY 10022.

b. Forms will be deemed filed when actually received by the Debtors' claims agent, Prime Clerk in the manner provided for in the Bar Date Notice. Forms may not be delivered via facsimile or electronic mail transmission.

c. Forms will be collected, docketed and maintained by Prime Clerk.

d. All forms must be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The form must be written in English or French. Claimants should attach to the completed form any documents on which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

e. Any entity asserting claims against multiple Debtors must file a separate form with respect to each Debtor. In addition, any entity filing a claim must identify on its form the particular Debtor against which the entity asserts its claim. If an entity lists more than one Debtor on any one form, the relevant claims will be treated as filed only against the first listed Debtor.

13. Any entity holding an interest in the Debtors (an "Interest Holder"), which interest is based exclusively upon the ownership of: (a) common stock in Debtor Performance Sports Group Ltd.; or (b) warrants or rights to purchase, sell or subscribe to such stock (any such stock or aforementioned right related to such stock being referred to herein as an "Interest"), need not file a proof of claim or proof of interest on or before the General Bar Date on account of such Interest; provided, however, Interest Holders who want to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of the Interest, must file a claim by the applicable Bar Dates, unless another exception identified in this order applies.

14. The Debtors shall retain the right to: (a) dispute, or assert offsets or defenses against, any filed proofs of claim, or any claim listed or reflected in the Schedules, as to nature, amount, liability, classification or otherwise; (b) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the Schedules. If the Debtors subsequently amend or supplement the Schedules, the Debtors shall give notice of any Amended Schedules to the holders of claims affected thereby, including notice of the Amended Schedules Bar Date to file proofs of claim in response to the Amended Schedules. Notwithstanding the foregoing, nothing contained herein shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

15. Entities that fail to properly file a Proof of Claim Form by the applicable Bar Date, shall be forever barred, estopped and enjoined from: (a) asserting any prepetition claim against the Debtors that such entity may possess and that (i) is in an amount that exceeds the amount, if any, that is identified in the Schedules or Amended Schedules on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature, classification or

priority than any claim identified in the Schedules or Amended Schedules on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); and (b) voting upon, or receiving distributions under, any chapter 11 plan in these cases in respect of an Unscheduled Claim.

16. No later than five business days after the entry of this Order, the Debtors, through Prime Clerk or otherwise, shall serve the Bar Dates Notice Package, including a copy of the Bar Date Notice, the Proof of Claim substantially in the forms attached to the Motion as **Exhibit A** and **Exhibit B** respectively, by first-class mail, postage prepaid, on:

a. all known holders of claims or potential claims, including all entities listed in the Schedules as potentially holding claims;

b. the office of the United States Trustee for the District of Delaware;

c. counsel to the Creditors' Committee;

d. all parties that have requested notice in these cases pursuant to Bankruptcy Rule 2002 as of the date of the entry of the Bar Dates Order;

e. all parties that are on the service list or have served notices of appearance in the Canadian Proceedings;

f. all counterparties to executory contracts and unexpired leases of the Debtors;

g. all parties to litigation with the Debtors;

h. the District Director of Internal Revenue for the District of Delaware and all other taxing authorities for the jurisdictions (including all Canadian jurisdictions) in which the Debtors conduct business;

i. all relevant state and provincial attorneys general;

j. all holders of record of any Interests in any of the Debtors as of the date of the Bar Date Order (although copies of the Proof of Claim Form will not be provided to them); and

k. such additional persons and entities as deemed appropriate by the Debtors.

17. The Proof of Claim Form mailed to such entities will indicate how the Debtors have scheduled the creditor's claim in the Schedules, including: (i) the identity of the Debtor against which the entity's claim is scheduled; (ii) the amount of the claim, if any; (iii) whether the claim is listed as disputed, contingent or unliquidated; and (iv) whether the claim is listed as a secured, preferred, unsecured non-priority or secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings. Any entity that relies on the information in the Schedules will bear responsibility for determining that its claim is accurately listed therein.

18. Pursuant to Bankruptcy Rule 2002(l) and 9008, the Debtors shall publish notice of the Bar Dates substantially in the form attached to the Motion as **Exhibit C** (the "Publication Notice") *(i) in French in La Presse; (ii) in English in the National Edition of the Globe and Mail, and (iii) in English in the National Edition of USA Today and the International Edition of the Wall Street Journal* as a means to provide notice of the Bar Dates to such unknown potential claimants. The Debtors will cause such publication to occur no later than seven days after serving the Bar Dates Notice Package.

19. Notice provided by this Order to foreign creditors is sufficient under Bankruptcy Rule 2002(p).

20. To the extent an entity submits a proof of claim to the Monitor by the applicable Bar Date, such proof of claim will be forwarded to Prime Clerk for inclusion on the Debtors' official claims register and shall be deemed timely filed.

21. The Debtors and Prime Clerk are authorized and empowered to take such steps and perform such acts as may be necessary to implement and effectuate the terms of this order.

22. The entry of this order is without prejudice to the right of the Debtors to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Dates established herein must file proofs of claim or interest.

23. This Order is without prejudice to the Debtors' right to seek further orders of this Court to implement specific procedures for the reconciliation and/or resolution of claims against the Debtors, including, without limitation, pursuant to the Cross-Border Claims Protocol.

24. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: ________________, 2016

Wilmington, Delaware

____

THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 19th
	)	
JUSTICE NEWBOULD	)	DAY OF DECEMBER, 2016

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.

(the "**Applicants**")

ORDER

(Re: Severance Obligations)

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 the ancillary relief set out in the affidavit of Brian J. Fox sworn December 9, 2016 (the "**Fox Affidavit**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fox Affidavit and the Exhibits thereto, the second report of Ernst & Young Inc. in its capacity as Court-appointed monitor (the "**Monitor**") to the Applicants and on any other party although duly served as appears from the affidavit of service of Vlad A. Calina, filed,

SEVERANCE OBLIGATIONS

1. **THIS COURT ORDERS** that, subject to the terms of the ABL DIP Agreement and the Term Loan DIP Credit Agreement and the Budget (as each of the foregoing terms is defined in the Order of Justice Newbould dated October 31, 2016, as amended and restated on November 30, 2016) the Applicants shall be entitled (but not required) to pay any amounts owing to their current employees or former employees on account of termination or severance obligations in connection with the termination of such employee's employment with Applicants, whether incurred prior to or after the date of this Order.

GENERAL

2. **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, 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 to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

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

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Lawyers for the Applicants

TAB 4

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 19th
	)	
JUSTICE NEWBOULD	)	DAY OF DECEMBER, 2016

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.

(the "**Applicants**")

CLAIMS PROCEDURE ORDER

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 approving the procedures and bar dates described in the affidavit of Brian J. Fox sworn December 9, 2016 (the "**Fox Affidavit**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fox Affidavit and the Exhibits thereto and the second report of Ernst & Young Inc. in its capacity as Court-appointed monitor (the "**Monitor**") to the Applicants, and on hearing the submissions of counsel for the Applicants, the Monitor, Sagard Capital Ltd., Fairfax Financial Holdings Limited, and the Official Committee of Unsecured Creditors, no one appearing for any other party although duly served as appears from the affidavit of service of Vlad A. Calina, sworn December 8, 2016, filed,

DEFINITIONS

1. **THIS COURT ORDERS** that for purposes of this Order the following terms shall have the following meanings:

(a) "**ABL Lenders**" means the lenders party to the the credit agreement dated April 15, 2014 in the principal amount of $200 million;

(b) "**Amended Schedules Bar Date**" means the later of: (i) the Claims Bar Date; and (ii) 30 days after the date that a Claimant is served with notice that an Applicant has amended or supplement its Schedules to reduce the undisputed, non-contingent or liquidated amount of its Claim or to change the nature and classification of its Claim;

(c) "**Applicants**" means Performance Sports Group Ltd. ("**PSG**") and the other entities listed on Schedule "A";

(d) "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;

(e) "**Canadian Filing Date**" means October 31, 2016;

(f) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

(g) "**CCAA Proceedings**" means the within proceedings;

(h) "**Chapter 11 Proceedings**" means the proceedings commenced on October 31, 2016 by the Applicants under U.S. Bankruptcy Code in the U.S. Court;

(i) "**Claim**" means any right or claim of any Person against one or more of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever of one or more of the Applicants, whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation any claim arising from or caused by the repudiation by an Applicant of any contract, lease or other agreement, whether written or oral, the commission of a tort (intentional or unintentional), any breach of duty (legal, statutory, equitable, fiduciary or otherwise), or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed on the Canadian Filing Date, together with any other claims of any kind that, if unsecured, would constitute a debt provable in bankruptcy within the meaning of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

(j) "**Claimant**" means a Person asserting a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Claimant in accordance with paragraph 38 hereof;

(k) "**Claims Bar Date**" means February 6, 2017 at 5:00 p.m. (Eastern Time), or such other date as may be ordered by the Court;

(l) "**Claims Notice**" means the document setting out the Claim a Known Claimant has against the company, as determined by the Company with the assistance of the Monitor (and its other professional advisors).;

(m) "**Claims Package**" means the document package which shall include a copy of the Instruction Letter, a Claims Notice, blank Proof of Claim and such other materials as the Applicants consider necessary or appropriate;

(n) "**Claims Procedure**" means the procedures outlined in this order in connection with the assertion of Claims or Restructuring Claims against one or more of the Applicants as set out by subsequent order of this Court and as amended or supplemented by the same;

(o) "**Court**" means the Ontario Superior Court of Justice (Commercial List);

(p) "**Director**" means any Person who is or was, or may be deemed to be or have been, a director of an Applicant;

(q) "**Disclaimed Contract**" means any agreement terminated, repudiated or disclaimed pursuant to either section 365 of the U.S. Bankruptcy Code or section 32 of the CCAA;

(r) "**Government Agency**" means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;

(s) "**Government Claims Bar Date**" means May 1, 2017 at 5:00 p.m. (Eastern Time), or such other date as may be ordered by the Court;

(t) "**Instruction Letter**" means the letter regarding completion of a Proof of Claim, which letter shall be substantially in the form attached hereto as Schedule "C";

(u) "**Intercompany Claims**" means any Claim or Restructuring Claim of the Applicants or any other affiliate of PSG against an Applicant or any other affiliate of PSG;

(v) "**Interest**" means any stock in PSG or any warrants, rights to purchase, sell or subscribe to any such stock;

(w) "**Known Claimants**" means Claimants which the books and records of the Applicants disclose were owed money by the Applicants as of the Canadian Filing Date which obligation remains unpaid in whole or in part;

(x) "**Monitor**" means Ernst & Young Inc., in its capacity as the Court-appointed Monitor of the Applicants;

(y) "**Notice to Creditors**" means the notice substantially in the form attached hereto as Schedule "B";

(z) "**Officer**" means any Person who is or was, or may be deemed to be or have been, an officer of an Applicant;

(aa) "**Person**" means any individual, partnership, firm, joint venture, trust, entity, corporation, body corporate, unincorporated association or organization, trade union, employee or other association, Government Agency, or similar entity, howsoever designated or constituted and any individual or other entity owned or controlled by or which is the agent of any of the foregoing;

(bb) "**Plan**" means any Plan of Compromise or Arrangement filed by one of more of the Applicants pursuant to the CCAA;

(cc) "**Prime Clerk**" means Prime Clerk LLC;

(dd) "**Proof of Claim**" means the form to be completed and filed by a Claimant setting forth its purported Claim or Restructuring Claim, which proof of claim shall be substantially in the form attached hereto as Schedule "D";

(ee) "**Schedules**" means the schedules and statements prepared from the books and records of the Applicants setting forth, *inter alia*, lists of claims asserted against the Applicants, posted on Prime Clerk's website (https://cases.primeclerk.com/PSG/) and the Monitor's website (www.ey.com/ca/psg);

(ff) "**Term Loan Lenders**" means the lenders party to the term loan credit agreement dated as of April 15, 2014 in the principal amount of $450 million;

(gg) "**Restructuring Claim**" means any Claim arising as a result of or in connection with the repudiation, termination or restructuring by the Applicants of any contract, lease or other agreement after the Canadian Filing Date;

(hh) "**Restructuring Claims Bar Date**" means the later of: (i) the Claims Bar Date (or with respect to a Government Agency, the Government Claims Bar Date); and (ii) with respect to the Chapter 11 Proceedings, 30 days after the entry of a rejection order in the U.S. Court approving the termination of the agreement, and with respect to the CCAA Proceeding, 30 days after the effective date of the disclaimer notice sent by the applicable Debtor in respect of a Disclaimed Contract;

(ii) "**UCC**" means the Official Committee of Unsecured Creditors in the Chapter 11 Proceedings;

(jj) "**U.S. Bankruptcy Code**" means Chapter 11 of title 11 of the United States Bankruptcy Code;

(kk) "**U.S. Bar Dates Order**" means the order filed in the Chapter 11 Proceedings (i) establishing bar dates for filing claims and (ii) approving the form and manner of notice thereof;

(ll) "**U.S. Claims Procedure**" means the claims process approved by the U.S. Court to be conducted within the Chapter 11 proceedings in respect of the Applicants;

(mm) "**U.S. Court**" means the United States Bankruptcy Court for the District of Delaware; and

(nn) "**U.S. Proof of Claim**" means a proof of claim filed in the U.S. Claims Procedure.

NOTICE OF CLAIMS

2. **THIS COURT ORDERS** that the Prime Clerk shall cause a Claims Package to be sent to:

(a) all known holders of claims or potential claims, including all entities listed in the Schedules as potentially holding claims;

(b) the office of the United States Trustee for the District of Delaware;

(c) counsel to the UCC;

(d) all parties that have requested notice in these cases pursuant to U.S. Bankruptcy Rule 2002 as of the date of the entry of the U.S. Bar Dates Order;

(e) all parties that are on the service list or have served notices of appearance in the CCAA Proceedings as of the date of this Order;

(f) all counterparties to executory contracts with, and unexpired leases of, the Applicants;

(g) all parties to litigation with the Applicants;

(h) the District Director of Internal Revenue for the District of Delaware and all other taxing authorities for the jurisdictions (including all Canadian jurisdictions) in which the Applicants conduct business;

(i) all relevant state, provincial and federal attorneys general;

(j) all holders of record of any Interests in any of the Applicants as of the date of the U.S. Bar Date Order (although copies of the Proof of Claim Form will not be provided to them); and

(k) such additional persons and entities as deemed appropriate by the Applicants;

by regular prepaid mail within five Business Days of the date of this Order.

3. **THIS COURT ORDERS** that Prime Clerk shall cause the Notice to Creditors to be placed in *The Globe and Mail* (National Edition), the international edition of the *Wall Street Journal*, the national edition of *USA Today* and *La Presse* (Saturday edition) for one day in each of the two weeks following the date of this Order.

4. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Creditors and the Claims Package to be posted on the Monitor's website (at www.ey.com/ca/psg) within three days of the date of this Order.

5. **THIS COURT ORDERS** that Prime Clerk shall cause a copy of the Claims Package to be sent to any Person requesting such material as soon as practicable.

6. **THIS COURT ORDERS** that, in the event that the Monitor believes that any action taken by an Applicant may give rise to a Restructuring Claim, or the Monitor is advised by any Person that such Person believes it has a Restructuring Claim, Prime Clerk shall thereafter cause a copy of the Claims Package to be sent to the Claimant.

FILING OF PROOFS OF CLAIM

Claims

7. **THIS COURT ORDERS** that every Claimant disputing the Claim set out in the Claims Notice shall complete a Proof of Claim and deliver that Proof of Claim to Prime Clerk so that it is actually received by no later than the Claims Bar Date (or with respect to a Government Agency, the Government Claims Bar Date).

8. **THIS COURT ORDERS** that, for a Claimant to validly file a Proof of Claim arising as of the Canadian Filing Date the Claimant must: (i) include a signed original copy of a completed Proof of Claim together with accompanying documents as required to prove the amount claimed; and (ii) upload the Proof of Claim using the electronic interface on the website maintained by Prime Clerk for the Chapter 11 Proceedings or deliver the Proof of Claim to Prime Clerk by courier service, hand delivery or regular mail. A Proof of Claim is deemed to be filed on the date when received by Prime Clerk through one of the approved delivery methods set out herein. A Proof of Claim may not be delivered by facsimile or electronic mail.

9. **THIS COURT ORDERS** that any Claimant asserting a claim against two or more Applicants must file a separate Proof of Claim with respect to each such Applicant and identify the particular Applicant against which a Claim is asserted. If a Claimant lists more than one Claimant on any one Proof of Claim, the Claim will be deemed to have been asserted only against the first-listed Applicant.

10. **THIS COURT ORDERS** that any Claimant (a) (i) whose Claim or Restructuring Claim is listed on the Schedules; (ii) whose Claim or Restructuring Claim is not listed as contingent, unliquidated or disputed; (iii) who does not dispute the classification or amount of the Claim or Restructuring Claim as set forth in the Schedules; or (b) whose Claim has previously been allowed by, or paid pursuant to, an order of this Court or the U.S. Court, is not required to deliver a Proof of Claim in respect of such listed Claim or Restructuring Claim by the Claims Bar Date, the Government Claims Bar Date or the Restructuring Claims Bar Date, as applicable.

11. **THIS COURT ORDERS** that, in addition to those Claimants listed in paragraph 10, the following Claimants shall not be required to deliver a Proof of Claim by the Claims Bar Date,

the Government Claims Bar Date, or the Restructuring Claims Bar Date, as applicable: (a) any affiliated company of the Applicants (as such term is defined in section 3(2) of the CCAA) or any non-debtor affiliate of the Applicants (as such term is defined in section 101(2) of the U.S. Bankruptcy Code); (b) any of the Applicants' current officers, directors or employees having a Claim for indemnification, contribution or reimbursement; (c) the ABL Lenders; and (d) the Term Loan Lenders.

12. **THIS COURT ORDERS** that, subject to paragraph 13, any Claimant (i) whose Claim or Restructuring Claim is not listed on the Schedules; or (ii) whose Claim or Restructuring Claim is listed as contingent, unliquidated or disputed, is required to deliver a Proof of Claim in respect of such Claim or Restructuring Claim by the Claims Bar Date, the Government Claims Bar Date or the Restructuring Claims Bar Date, as applicable, failing which such Claim or Restructuring Claim will be barred in accordance with either paragraph 16 or 20, as applicable.

13. **THIS COURT ORDERS** that if, after the date of this Order, the Schedules are amended or supplemented (in consultation with the Monitor) (a) to reduce the non-contingent, liquidated or undisputed amount of a Claim or Restructuring Claim, (b) to change the nature or characterization of a Claim or Restructuring Claim, or (c) to add a new Claim or Restructuring Claim to the Schedules, the affected Claimant may file a Proof of Claim or amend any previously filed Proof of Claim in respect of the amended scheduled Claim or Restructuring Claim in accordance with the procedures described herein so that it is received by Prime Clerk on or before the later of (i) the Claims Bar Date, the Government Claims Bar Date or Restructuring Claims Bar Date, or (ii) thirty (30) days after the Claimant is given notice of the applicable amendment or supplement to the Schedules. The Applicants shall cause notice of any such amendment or supplement to be provided to the applicable Claimant and to the Monitor and shall provide the Monitor with revised Schedules for posting on its website.

14. **THIS COURT ORDERS** that copies of Proofs of Claim received by the Monitor shall be sent to Prime Clerk for compilation and inclusion in the claims registry in the Chapter 11 Proceedings. The Applicants shall cause copies of any U.S. Proofs of Claim against the Applicant(s) filed in accordance with the U.S. Claims Procedure to be made available to the Monitor.

15. **THIS COURT ORDERS** that any Claimant who has complied with the requirements of the U.S. Claims Procedure shall not have its Claim or Restructuring Claim, as applicable, barred and extinguished as a consequence of failing to comply with paragraphs 16 or 20, as applicable.

16. **THIS COURT ORDERS** that, any Claimant who:

(a) does not dispute the classification or amount of the Claim or Restructuring Claim as set forth in the Schedules has been deemed to accept the amount set out in the Claims Notice in accordance with paragraph 10 and shall be forever barred, estopped and enjoined from asserting or enforcing any Claim of a different classification or in excess of the listed amount against any of the Applicants shall be forever extinguished without any further act or notification by the Applicants;

(b) is not a Known Claimant, or who is a Known Claimant and disputes the classification or amount of the Claim or Restructuring Claim as set forth in the Schedules, and does not deliver a Proof of Claim in respect of a Claim in accordance with paragraph 12:

(i) shall be forever barred, estopped and enjoined from asserting or enforcing such Claim against any of the Applicants and the Applicants shall not have any liability whatsoever in respect of such Claim and such Claim shall be extinguished without any further act or notification by the Applicants;

(ii) shall not be entitled to participate as a Claimant in these proceedings or receive any further notice in respect of these proceedings, the Claims Procedure or any Plan;

(iii) shall not be entitled to vote on any Plan or receive any distribution from any Plan or otherwise from the Applicants, or the Monitor on behalf of the Applicants, in respect of such Claim; and

17. **THIS COURT ORDERS** that each Claimant shall reduce its Claim or Restructuring Claim by the amount of (a) any payment thereon made by an Applicant to the Claimant, (b) the application of any volume or other discount in reduction of such Claim or Restructuring Claim by an Applicant, and (c) any other subsequent credit applied by an Applicant against such Claim or Restructuring Claim or the Claimant.

Restructuring Claims

18. **THIS COURT ORDERS** that every Claimant asserting a Restructuring Claim against an Applicant shall set out its aggregate Restructuring Claim in a Proof of Claim and deliver that Proof of Claim so that it is received by Prime Clerk no later than the Restructuring Claims Bar Date.

19. **THIS COURT ORDERS** that paragraphs 7 to 17 apply to Proofs of Claim delivered in respect of Restructuring Claims with any modification as circumstances require to apply to a Restructuring Claim.

20. **THIS COURT ORDERS** that any Claimant who does not deliver a Proof of Claim in respect of a Restructuring Claim in accordance with paragraph 18 shall be forever barred from asserting such Restructuring Claim against any of the Applicants and such Restructuring Claim shall be forever extinguished and any holder of such Restructuring Claim shall not be entitled to participate as a Claimant in these proceedings or receive any further notice in respect of these proceedings, the Claims Procedure or any Plan and shall not be entitled to vote on any Plan or receive any distribution from any Plan or otherwise from the Applicants, or the Monitor on behalf of the Applicants, in respect of such Restructuring Claim.

DETERMINATION OF CLAIMS AND RESTRUCTURING CLAIMS

21. **THIS COURT ORDERS** that the applicable procedures for reviewing and determining Claims or Restructuring Claims shall be established by further Order of the Court. Notice of such procedures shall be provided to the service list in this CCAA proceeding and any Person who has filed a Proof of Claim or U.S. Proof of Claim against the Applicants in accordance with the Claims Procedure or the U.S. Claims Procedure.

NOTICE OF TRANSFEREES

22. **THIS COURT ORDERS** that if a Claimant or any subsequent holder of a Claim or Restructuring Claim who has been acknowledged by the Applicants and the Monitor as the holder of the Claim or Restructuring Claim transfers or assigns that Claim or Restructuring Claim to another Person, neither the Applicants nor the Monitor shall be required to give notice

to or to otherwise deal with the transferee or assignee of the Claim or Restructuring Claim as the holder of such Claim or Restructuring Claim unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been delivered to the Applicants and the Monitor. Thereafter, such transferee or assignee shall, for all purposes hereof, constitute the holder of such Claim or Restructuring Claim and shall be bound by notices given and steps taken in respect of such Claim or Restructuring Claim.

23. **THIS COURT ORDERS** that if a Claimant or any subsequent holder of a Claim or Restructuring Claim who has been acknowledged by the Applicants and the Monitor as the holder of the Claim or Restructuring Claim transfers or assigns the whole of such Claim or Restructuring Claim to more than one Person or part of such Claim or Restructuring Claim to another Person or Persons, such transfers or assignments shall not create separate Claims or Restructuring Claims and such Claims and Restructuring Claims shall continue to constitute and be dealt with as a single Claim or Restructuring Claim notwithstanding such transfers or assignments. Neither the Applicants or the Monitor shall, in each such case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim or Restructuring Claim only as a whole and then only to and with the Person last holding such Claim or Restructuring Claim provided such Claimant may, by notice in writing delivered to the Applicants and the Monitor, direct that subsequent dealings in respect of such Claim or Restructuring Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim or Restructuring Claim with such Claimant.

GENERAL PROVISIONS

24. **THIS COURT ORDERS** that references to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

25. **THIS COURT ORDERS** that any Claim or Restructuring Claim denominated in any currency other than U.S. dollars shall, for the purposes of this Order, be converted to and shall constitute obligations in U.S. dollars, such calculation to be effected using the Wall Street

Journal rate as at the Canadian Filing Date (Canadian dollar claims are to be converted at the rate of CDN $1.3410 = US $ 1.00).

26. **THIS COURT ORDERS** that the Applicants, with the assistance of the Monitor, are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms delivered hereunder are completed and executed, and may waive strict compliance with the requirements of this Claims Procedure Order as to the completion and execution of such forms.

27. **THIS COURT ORDERS** that notwithstanding any other provisions of this Claims Procedure Order, the solicitation by the Applicants or the Monitor of Claims and the filing by any Claimant of any Claims shall not, for that reason only, grant any Person any standing in these proceedings.

28. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Initial Order, shall assist the Applicants in connection with the matters described herein, and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Order and such other roles in keeping with its position as an officer of this Court.

29. **THIS COURT ORDERS** that nothing set out in this Order be interpreted as limiting the role of the Monitor in any way or otherwise restricting powers of the Monitor in connection with the procedure set out in this or any other or further order of this Court.

30. **THIS COURT ORDERS** that any notice or other communication to be given in connection with this Order by the Applicants or the Monitor to a Claimant, other than the Notice to Creditors to be published as provided in paragraph 2 herein, shall be in writing. Such notice or other communication will be sufficiently given to a Claimant if given by prepaid ordinary mail, by courier, by delivery or by facsimile transmission or electronic mail to the Claimant to such address, facsimile number or e-mail address appearing in the books and records of the Applicants or in any Proof of Claim filed by the Claimant. Any such notice or other communication, (a) if given by prepaid ordinary mail, shall be deemed received on the third (3rd) Business Day after mailing within Ontario, the fifth (5th) Business Day after mailing elsewhere within Canada or to the United States and the tenth (10th) Business Day after mailing

internationally; (b) if given by courier or delivery shall be deemed received on the next Business Day following dispatch; (c) if given by facsimile transmission or electronic mail before 5:00 p.m. on a Business Day shall be deemed received on such Business Day; and (d) if given by facsimile transmission or electronic mail after 5:00 p.m. on a Business Day shall be deemed received on the following Business Day.

31. **THIS COURT ORDERS** that in the event that the day on which any notice or communication required to be delivered pursuant to the Claims Procedure is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.

32. **THIS COURT ORDERS** that if, during any period during which notices or other communication are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications then not received or deemed received shall not, absent further Order of this Court, be effective. Notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by electronic mail, courier, delivery or facsimile transmission in accordance with this Order.

33. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to Section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this order.

Schedule A

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.

Schedule B

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, C. C-36, AS AMENDED.
AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT OF PERFORMANCE SPORTS GROUP LTD. *ET. AL.*

- and -

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
BPS US Holdings Inc., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)

NOTICE OF BAR DATES FOR FILING CLAIMS

ANY HOLDER OF A POSSIBLE CLAIM AGAINST THE DEBTORS SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE, SUCH AS WHETHER THE HOLDER SHOULD FILE A PROOF OF CLAIM.

TO ALL KNOWN CREDITORS OF THE ABOVE-CAPTIONED ENTITIES (COLLECTIVELY, THE "DEBTORS"):

On [_________], 2016, the United States Bankruptcy Court for the District of Delaware and the Ontario Superior Court of Justice (Commercial List) (the "Courts") entered orders (together, the "Bar Date Orders") establishing certain claims bar dates.

[1] The Debtors in these Chapter 11 Cases and Canadian Proceedings, along with the last four digits of each Debtor's federal tax identification number or Canadian equivalent, are as follows: BPS US Holdings Inc. (8341); Bauer Hockey, Inc. (3094); Easton Baseball / Softball Inc. (5670); Bauer Hockey Retail Inc. (6663); Bauer Performance Sports Uniforms Inc. (1095); Performance Lacrosse Group Inc. (4200); BPS Diamond Sports Inc. (5909); PSG Innovation Inc. (9408); Performance Sports Group Ltd. (1514); KBAU Holdings Canada, Inc. (5751); Bauer Hockey Retail Corp. (1899); Easton Baseball / Softball Corp. (4068); PSG Innovation Corp. (2165); Bauer Hockey Corp. (4465); BPS Canada Intermediate Corp. (4633); BPS Diamond Sports Corp. (8049); Bauer Performance Sports Uniforms Corp. (2203); and Performance Lacrosse Group Corp. (1249). The Debtors' headquarters are located at 100 Domain Dr., Exeter, New Hampshire 03833.

Pursuant to the Bar Date Orders, the Courts established February 6, 2017 at 5:00 p.m., Eastern Time as the general bar date (the "General Bar Date") for filing prepetition claims in the Debtors' chapter 11 cases (the "Chapter 11 Cases") and the Canadian Proceedings (the "Canadian Proceeding").

As used in this Notice, the term "entity" includes a person, estate, trust, or governmental unit. In addition, the term "persons" includes an individual, partnership, and corporation, and the term "governmental units" means the United States; State; Commonwealth; District; Territory; municipality; foreign state; department, agency, or instrumentality of the United States (but not a United States trustee while serving as a trustee in a chapter 11 case); a State; a Commonwealth; a District; a Territory; a US or Canadian municipality; a provincial government; the Canadian federal government; a Canadian governmental authority; a foreign state; or other foreign or domestic government , respectively.

As used in this Notice, the term "claim" means, as to or against any of the Debtors: (i) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (ii) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

As used in this Notice, "prepetition" has the same meaning as the term "pre-filing".

THE BAR DATES

The Bar Date Orders established the following bar dates for filing claims in these Chapter 11 Cases and the Canadian Proceedings (the collectively, the "Bar Dates"):

a. The General Bar Date. Pursuant to the Bar Date Orders, except as described below, all entities holding claims against the Debtors, whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings that arose before October 31, 2016 (the "Petition Date") must file proofs of claim by the General Bar Date of February 6, 2017 at 5:00 p.m. Eastern Time. All other administrative claims (such as a claim under section 503(b) of the Bankruptcy Code) must be asserted by separate requests for payment and will not be deemed proper if made by proof of claim.

b. The Governmental Bar Date. Pursuant to the Bar Date Orders, except as described below, all governmental units holding claims (whether secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable US or Canadian law in connection with the Chapter 11

Cases or the Canadian Proceedings) against the Debtors that arose before the Petition Date must file proofs of claim by the Governmental Bar Date of May 1, 2017 at 5:00 p.m. Eastern Time.

c. The Rejection Bar Date. Any entity whose claims arise out of the (i) Court approved rejection of an executory contract or unexpired lease, in accordance with section 365 of the Bankruptcy Code and pursuant to an order entered prior to the confirmation of a plan in the applicable Debtor's case, or (ii) the disclaimer by a Debtor of a contract pursuant to section 32 of the CCAA, must file a proof of claim on or before the later of the applicable deadline (i) the General Bar Date; or (ii) in the Chapter 11 Cases, 30 days after the entry of the order providing for the rejection of such executory contract or unexpired lease in the Chapter 11 Cases; or (iii) in the Canadian Proceeding, 30 days after the effective date of the disclaimer by a Debtor in accordance with section 32 of the CCAA. The later of these dates is referred to in this notice as the "Rejection Bar Date."

d. The Amended Schedules Bar Date. If, subsequent to the mailing date of this notice, a Debtor amends or supplements its Schedules of Assets and Liabilities (the "Schedules") to reduce the undisputed, noncontingent and liquidated amount or to change the nature or classification of a claim against a Debtor reflected therein, any affected entities that dispute such amendments or supplements to the Schedules (such Schedules, the "Amended Schedules") are required to file a proof of claim or amend any previously filed proof of claim in respect of the Amended Schedules claim on or before the later of: (i) the General Bar Date; and (ii) 30 days after the date that notice of the applicable Amended Schedules is served on the claimant. The later of these dates is referred to in this notice as the "Amended Schedule Bar Date."

FILING CLAIMS

1. WHO MUST FILE

Subject to the terms described above for holders of claims subject to the Governmental Bar Date, Rejection Bar Date, and the Amended Schedules Bar Date, the following entities **MUST** file proofs of claim on or before the General Bar Date:

a. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as any of disputed, contingent, or unliquidated and (ii) that desires to share in any distribution in any of these Chapter 11 Cases or Canadian Proceedings; and

b. any entity that believes that its prepetition claim is improperly classified in the Schedules or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor different from the classification, amount or Debtor identified in the Schedules.

2. WHAT TO FILE

Prepetition Claims

The Debtors are enclosing a proof of claim form (the "Proof of Claim Form") for use in these Chapter 11 Cases or Canadian Proceedings, or you may use another proof of claim form that conforms substantially thereto. If your claim is scheduled by the Debtors, the enclosed Proof of Claim Form also sets forth: (i) the amount of your claim (if any) as scheduled; (ii) the specific Debtor against which the claim is scheduled; (iii) whether your claim is scheduled as disputed, contingent or unliquidated; and (iv) whether your claim is listed as a secured, preferred, unsecured non-priority, unsecured priority claim or otherwise entitled to special treatment under applicable U.S. or Canadian law in connection with the Chapter 11 Cases or the Canadian Proceedings. You will receive a different proof of claim form for each claim scheduled in your name by the Debtors. You may utilize the proof of claim form(s) provided by the Debtors to file your claim. Additional proof of claim forms may be obtained at the following website: https://cases.primeclerk.com/PSG (the "Claim Agent Website") or the website of the court-appointed Monitor in the Canadian Proceeding: www.ey.com/ca/psg (the "Monitor's Website").

3. WHEN AND WHERE TO FILE

Entities must file each Proof of Claim Form so they are received on or before the applicable Bar Dates, (i) via the electronic interface on the website of the Debtors' claims agent, Prime Clerk LLC, https://cases.primeclerk.com/PSG, or (ii) at the following address:

Performance Sports Group Claims Processing Center
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

Proofs of claim will be deemed filed when **actually received** by Prime Clerk on or before the applicable Bar Date. **Proofs of claim may not be delivered via facsimile or electronic mail transmission**.

Proofs of claim will be collected, docketed and maintained by Prime Clerk for both the Chapter 11 Cases and the Canadian Proceeding. If you want to receive acknowledgement of Prime Clerk's receipt of a proof of claim, you must submit, by the applicable Bar Date and concurrently with submitting your original proof of claim, (i) a copy of the original proof of claim and (ii) a self-addressed, postage prepaid return envelope or follow the instructions on Prime Clerk's website if submitting electronically.

All forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant. The form must be written in English or French. You should attach to your completed form any documents on which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

Any entity asserting claims against multiple Debtors must file a separate proof of claim form with respect to each Debtor. In addition, any entity filing a claim must identify on its proof of claim form the particular Debtor against which the entity asserts its claim. If an entity lists more than one Debtor on any one form, the relevant claims will be treated as filed **only** against the first listed Debtor.

4. ENTITIES NOT REQUIRED TO FILE A CLAIM

The Bar Date Orders further provide that the following entities, whose claims otherwise would be subject to the General Bar Date or the Governmental Bar Date need not file claims in these cases:

a. any entity that already has filed a signed proof of claim against the applicable Debtor(s) in a form substantially similar to the form enclosed herewith and attached to the Motion as **Exhibit B** with: (i) the Clerk of the Bankruptcy Court for the District of Delaware, the Monitor or (iii) the Debtors' claims and noticing agent, Prime Clerk;

b. any entity (i) whose claim against a Debtor is not listed as "disputed", "contingent", or "unliquidated" in the Schedules or Amended Schedules and (ii) agrees with the nature, classification and amount of its claim as identified in the Schedules or Amended Schedules;

c. any entity whose claim against a Debtor previously has been allowed by, or paid pursuant to, an order of the Courts;

d. any Debtor or any of their non-debtor affiliates (as such term is defined in section 101(2) of the Bankruptcy Code) or an entity related to any Debtor as such term is defined under section 3(2) of the CCAA, as applicable;

e. any current officer, director or employee of any of the Debtors having a claim against any of the Debtors for indemnification, contribution or reimbursement;

f. the Prepetition ABL Lenders; and

g. the Prepetition Term Loan Lenders.

NO REQUIREMENT FOR STOCKHOLDERS TO FILE PROOFS OF INTEREST

Any entity holding an interest in the Debtors (an "Interest Holder"), which interest is based exclusively upon the ownership of: (a) common stock in Performance Sports Group Ltd.; or (b) warrants or rights to purchase, sell or subscribe to such stock (any such stock or aforementioned right related thereto being referred to herein as an "Interest"), need not file a proof of claim or proof of interest on or before the General Bar Date on account of such Interest; provided, however, Interest Holders who want to assert claims against the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of the Interest, must file a claim by the applicable Bar Dates, unless another exception identified in this motion applies.

CONSEQUENCES OF FAILURE TO FILE A CLAIM

Entities that fail to properly file a Proof of Claim Form by the applicable Bar Date shall be barred, estopped and enjoined from: (a) asserting any prepetition claim against the Debtors that such entity may possess and that (i) is in an amount that exceeds the amount, if any, that is identified in the Schedules or Amended Schedules on behalf of such entity as undisputed, noncontingent and liquidated or (ii) is of a different nature, classification or priority than any claim identified in the Schedules or Amended Schedules on behalf of such entity (any such claim under this subparagraph (a) being referred to herein as an "Unscheduled Claim"); and (b) voting upon, or receiving distributions under, any plan of reorganization or arrangement in these Chapter 11 Cases or Canadian Proceedings in respect of an Unscheduled Claim.

RESERVATION OF RIGHTS

The Debtors retain the right to: (i) dispute, or assert offsets or defenses against, any filed proofs of claim, or any claim listed or reflected in the Schedules, as to nature, amount, liability, classification or otherwise; (ii) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (iii) otherwise amend or supplement the Schedules. Notwithstanding the foregoing, nothing contained herein shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

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ADDITIONAL INFORMATION

If you require additional information regarding the filing of a claim, you may contact Prime Clerk at **855-631-5352** or by submitting an inquiry at https://cases.primeclerk.com/PSG. Copies of the Bar Date Order and other information regarding the Debtors' Chapter 11 Cases are available for inspection free of charge on Prime Clerk's website at: https://cases.primeclerk.com/PSG/Home-Index.

Neither Prime Clerk nor the Monitor can advise you how to file, or whether you should file, a claim. You may wish to consult an attorney regarding this matter

Dated: Wilmington, Delaware and
Toronto, Ontario

_______________, 2016

BY ORDER OF THE COURTS

Schedule C

Fill in this information to identify the case (Select only one Debtor per claim form):

- ☐ BPS US Holdings Inc. (Case No. 16-12373)
- ☐ Bauer Hockey, Inc. (Case No. 16-12374)
- ☐ Easton Baseball / Softball Inc. (Case No. 16-12375)
- ☐ Bauer Hockey Retail Inc. (Case No. 16-12376)
- ☐ Bauer Performance Sports Uniforms Inc. (Case No. 16-12377)
- ☐ Performance Lacrosse Group Inc. (Case No. 16-12378)
- ☐ BPS Diamond Sports Inc. (Case No. 16-12379)
- ☐ PSG Innovation Inc. (Case No. 16-12380)
- ☐ Performance Sports Group Ltd. (Case No. 16-12381)
- ☐ KBAU Holdings Canada, Inc. (Case No. 16-12382)
- ☐ Bauer Hockey Retail Corp. (Case No. 16-12383)
- ☐ Easton Baseball / Softball Corp. (Case No. 16-12384)
- ☐ PSG Innovation Corp. (Case No. 16-12385)
- ☐ Bauer Hockey Corp. (Case No. 16-12386)
- ☐ BPS Canada Intermediate Corp. (Case No. 16-12387)
- ☐ BPS Diamond Sports Corp. (Case No. 16-12388)
- ☐ Bauer Performance Sports Uniforms Corp. (Case No. 16-12389)
- ☐ Performance Lacrosse Group Corp. (Case No. 16-12390)

Proof of Claim

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy/restructuring case. Other than a claim under 11 U.S.C. § 503(b)(9), this form should not be used to make a request for payment of an administrative expense or an expense relating to goods delivered or services rendered after the petition date. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be subject to severe penalties including significant monetary fines and /or imprisonment.

Fill in all the information about the claim as of October 31, 2016.

☐ **The amounts set forth on this claim form are in US Dollars**

☐ **The amounts set forth on this claim form are in Canadian Dollars**

Part 1: Identify the Claim

1. Who is the current creditor?

____
Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor ______________________________

2. Has this claim been acquired from someone else?

☐ No
☐ Yes. From whom? ______________________________

3. Where should notices and payments to the creditor be sent?

Where should notices to the creditor be sent?	**Where should payments to the creditor be sent? (if different)**
Name	Name
Number Street	Number Street
City State/Province ZIP/Postal Code	City State/Province ZIP/Postal Code
Country	Country
Contact phone ____________	Contact phone ____________
Contact email ____________	Contact email ____________

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

_ _

4. Does this claim amend one already filed?

☐ No
☐ Yes. Claim number on court claims registry (if known) ______ Filed on ____________ MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?

☐ No
☐ Yes. Who made the earlier filing? ____________

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. **Do you have any number you use to identify the debtor?**
   - ☐ No
   - ☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____ ____ ____ ____

7. **How much is the claim and in what currency?**
   $______________________. **Does this amount include interest or other charges?**
   - ☐ USD
   - ☐ CDN
   - ☐ No
   - ☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges.

8. **What is the basis of the claim?**
   Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, credit card, restructuring claim/disclaimed or resiliated contract, etc.

   Attach redacted copies of any documents supporting the claim.

   Limit disclosing information that is entitled to privacy, such as health care information.

   ____

9. **Is all or part of the claim secured?**
   - ☐ No
   - ☐ Yes. The claim is secured by a lien on property.

   Nature of property:
   - ☐ Real estate.
   - ☐ Motor vehicle
   - ☐ Other. Describe: ______________________________

   Basis for perfection: ______________________________
   Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

   Value of property: $__________

   Amount of the claim that is secured: $__________

   Amount of the claim that is unsecured: $__________ (The sum of the secured and unsecured amounts should match the amount in line 7.)

   Amount necessary to cure any default as of October 31, 2016: $__________

   Annual Interest Rate (when case was filed)______%
   - ☐ Fixed
   - ☐ Variable

10. **Is this claim based on a lease?**
    - ☐ No
    - ☐ Yes. **Amount necessary to cure any default as of the date of the petition.** $__________

11. **Is this claim subject to a right of setoff?**
    - ☐ No
    - ☐ Yes. Identify the property: ______________________________

12. **Is all or part of the claim entitled to priority or special treatment under US or Canadian law?** A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.	☐ No ☐ Yes. *Check one:* **Under U.S. law:** ☐ Up to $2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). ☐ Wages, salaries, or commissions (up to $12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). ☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). ☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). ☐ Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies. **Under Canadian law:** ☐ Wages, salaries, or commissions (up to CDN $2,000) earned within 6 months before the Initial Order, as referred to in section 6(5) CCAA. ☐ Amounts due in respect of a registered pension plan as referred to in section 6(6) CCAA. ☐ Amounts due to the governments and referred to in section 6(3) CCAA. * Amounts are subject to adjustment on 4/01/16 and every 3 years after that for cases begun on or after the date of adjustment.	**Amount entitled to priority** $_____ $_____ $_____ $_____ $_____ $_____ $_____ $_____
13. **Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?**	☐ No ☐ Yes. **Indicate the amount of your claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.**	$_____

Part 3: Sign Below

The person completing this proof of claim must sign and date it.

A person who files a fraudulent claim could be subject to severe penalties including significant monetary fines and/or imprisonment.

Check the appropriate box:

☐ I am the creditor.
☐ I am the creditor's attorney or authorized agent.
☐ I am the trustee, or the debtor, or their authorized agent.
☐ I am a guarantor, surety, endorser, or other codebtor.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculatingthe amount of the claim, the creditor gave the debtor credit for any payments received toward thedebt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date __________(mm/dd/yyyy)

____
Signature

Print the name of the person who is completing and signing this claim:

Name ____________________
First name Middle name Last name

Title ____________________

Company ____________________
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address ____________________
Number Street

____
City State/Province ZIP/Postal Code Country

Contact phone __________ Email __________

Schedule D

Instructions for Proof of Claim

United States Bankruptcy Court and Ontario Superior Court of Justice (Commercial List) 12/15

These instructions and definitions generally explain the law. In certain circumstances, such as bankruptcy cases that debtors do not file voluntarily, exceptions to these general rules may apply. You should consider obtaining the advice of an attorney, especially if you are unfamiliar with the bankruptcy process and privacy regulations.

A person who files a fraudulent claim could be subject to severe penalties, including monetary fines and/or imprisonment.

How to fill out this form

- **Fill in all of the information about the claim as of the date the case was filed.**
- **Fill in the caption at the top of the form.**
- **If the claim has been acquired from someone else, then state the identity of the last party** who owned the claim or was the holder of the claim and who transferred it to you before the initial claim was filed.
- **Attach any supporting documents to this form.**
  Attach redacted copies of any documents that show that the debt exists, a lien secures the debt, or both. (See the definition of *redaction* on the next page.)

  Also attach redacted copies of any documents that show perfection of any security interest or any assignments or transfers of the debt. In addition to the documents, a summary may be added.
- **Do not attach original documents because attachments may be destroyed after scanning.**
- **If the claim is based on delivering health care goods or services, do not disclose confidential health care information. Leave out or redact confidential information both in the claim and in the attached documents.**
- **A *Proof of Claim* form and any attached documents must show only the last 4 digits of any social security number, individual's tax identification number, or financial account number, and only the year of any person's date of birth.**
- **For a minor child, fill in only the child's initials and the full name and address of the child's parent or guardian.** For example, write *A.B., a minor child (John Doe, parent, 123 Main St., City, State).*

Confirmation that the claim has been filed

To receive confirmation that the claim has been filed, enclose a stamped self-addressed envelope and a copy of this form. You may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at http://cases.primeclerk.com/psg.

Understand the terms used in this form

Administrative expense: Generally, an expense that arises after a bankruptcy case is filed in connection with operating, liquidating, or distributing the bankruptcy estate.

CCAA: Companies' Creditors Arrangement Act (Canada)

Claim: A creditor's right to receive payment for a debt that the debtor owed on the date the debtor filed for bankruptcy, whether secured, preferred, unsecured priority, unsecured nonpriority, or otherwise entitled to special treatment under applicable U.S. or Canadian law. A claim may be secured or unsecured.

Claim Pursuant to 11 U.S.C. §503(b)(9): A claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of the Debtor's business. Attach documentation supporting such claim.

Creditor: A person, corporation, or other entity to whom a debtor owes a debt that was incurred on or before the date the debtor filed for bankruptcy.

Debtor: A person, corporation, or other entity who is in bankruptcy. Use the debtor's name and case number as shown in the bankruptcy notice you received.

Evidence of perfection: Evidence of perfection of a security interest may include documents showing that a security interest has been filed or recorded, such as a mortgage, lien, certificate of title, or financing statement.

Information that is entitled to privacy: A *Proof of Claim* form and any attached documents must show only the last 4 digits of any social security number, an individual's tax identification number, or a financial account number, only the initials of a minor's name, and only the year of any person's date of birth. If a claim is based on delivering health care goods or services, limit the disclosure of the goods or services to avoid embarrassment or disclosure of confidential health care information. You may later be required to give more information if the trustee or someone else in interest objects to the claim.

Priority claim: A claim within a category of unsecured claims that is entitled to priority under applicable U.S. or Canadian law. These claims are paid from the available money or property in a bankruptcy case before other unsecured claims are paid. Common priority unsecured claims include alimony, child support, taxes, and certain unpaid wages, source deductions, employee wage claims up to prescribed limits, and certain governmental claims entitled to priority by statute.

Proof of claim: A form that shows the amount of debt the debtor owed to a creditor on the date of the bankruptcy filing. The form must be filed in the district where the case is pending.

Redaction of information: Masking, editing out, or deleting certain information to protect privacy. Filers must redact or leave out information entitled to **privacy** on the *Proof of Claim* form and any attached documents.

Secured claim: A claim backed by a lien on particular property of the debtor. A claim is secured to the extent that a creditor has the right to be paid from the property before other creditors are paid. The amount of a secured claim usually cannot be more than the value of the particular property on which the creditor has a lien. Any amount owed to a creditor that is more than the value of the property normally may be an unsecured claim. But exceptions exist.
Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment may be a lien.

Setoff: Occurs when a creditor pays itself with money belonging to the debtor that it is holding, or by canceling a debt it owes to the debtor.

Unsecured claim: A claim that does not meet the requirements of a secured claim. A claim may be unsecured in part to the extent that the amount of the claim is more than the value of the property on which a creditor has a lien.

Offers to purchase a claim

Certain entities purchase claims for an amount that is less than the face value of the claims. These entities may contact creditors offering to purchase their claims. Some written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court, the bankruptcy trustee, or the debtor. A creditor has no obligation to sell its claim. However, if a creditor decides to sell its claim, any transfer of that claim is subject to Bankruptcy Rule 3001(e), any provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.) that apply, and any orders of the bankruptcy court that apply.

Please send completed Proof(s) of Claim to:

BPS US Holdings Inc. Claims Processing Center
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

Do not file these instructions with your form

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

CLAIMS PROCEDURE ORDER

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Lawyers for the Applicants

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

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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

MOTION RECORD
(Returnable 19 December, 2016)

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