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 OLD PSG WIND-DOWN LTD., OLD BHR WIND-DOWN CORP., OLD BPSU WIND-DOWN CORP., OLD BPSDS WIND-DOWN CORP., OLD EBS WIND-DOWN CORP., OLD PLG WIND-DOWN CORP., OLD PSGI WIND-DOWN CORP., OLD BHR INC., OLD BH INC., OLD BPSU INC., OLD BPSCI INC., OLD BPSUSH INC., OLD EBS INC., OLD PLG INC., AND OLD PSGI INC.

(Applicants)

MOTION RECORD
(Returnable July 17, 2017)
(Re: Stay Extension and Other Relief)

July 11, 2017

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

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

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

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

Lawyers for the Applicants

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TAB 1

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(Applicants)

NOTICE OF MOTION
(Returnable July 17, 2017)
(Re: Stay Extension and Other Relief)

Old PSG Wind-down Ltd. ("**PSG**"), Old BHR Wind-down Corp., Old BPSU Wind-down Corp., Old BPSDS Wind-down Corp., Old EBS Wind-down Corp., Old EBS Wind-down Corp., Old PLG Wind-down Corp., Old PSGI Wind-down Corp., Old BHR Inc., Old BH Inc., Old BPSU Inc., Old BPSCI Inc., Old BPSCI Inc., Old BPSUSH Inc., Old EBS Inc., Old PLG Inc., and Old PSGI Inc. (collectively, the "**Applicants**" or the "**PSG Entities**"), will make a motion to a judge presiding over the Commercial List at 10:00 a.m. on July 17, 2017 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:

(a) Approving a Lease Stipulation between the Applicants (by and through Old EBS Inc. (f/k/a Easton Baseball/Softball Inc.), on behalf of itself and its affiliated Applicants) and the Purchaser which settles the outstanding Capitalized Lease Issue between the parties (as those terms are defined below); and

(b) Extending the Stay Period (referred to in the Initial Order of the Honourable Mr. Justice Newbould dated October 31, 2016, as amended and restated) until October 1, 2017; and

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

THE GROUNDS FOR THE MOTION ARE:

Background

3. On October 31, 2016, the Applicants sought and obtained an Order (as amended and restated, the "**Initial Order**") of the 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 (together with the CCAA proceedings, the "**Restructuring Proceedings**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Courts**") under Chapter 11 of Title 11 of the U.S. Code;

4. Pursuant to the Initial Order, Ernst & Young Inc. was appointed as monitor (the "**Monitor**") of the Applicants in these CCAA proceedings;

5. On February 6, 2017, after the conclusion of a Court-approved sales process, the Courts issued and entered orders, among other things, naming 9938982 Canada Inc. or its designate as the successful bidder and approving the stalking horse asset purchase agreement dated October 31, 2016, as amended (the "**Asset Purchase Agreement**") and the contemplated sale transaction;

6. Closing of the transaction contemplated under the Asset Purchase Agreement was announced on February 28, 2017 (the "**Closing**");

Capitalized Lease Issue

7. Prior to Closing, the Applicants and the Purchaser could not reach agreement on the calculation of the purchase price due to a disagreement about whether a lease constituted a "Capitalized Lease" under the Asset Purchase Agreement (the "**Capitalized Lease Issue**");

8. To facilitate the Closing, the Applicants and Purchaser entered into the Third Amendment to the Asset Purchase Agreement pursuant to which the escrow agent retained US$12,008,073 (the "**Capitalized Lease Escrow Amount**") pending resolution of the Capitalized Lease Issue;

9. The Applicants and the Purchaser have agreed to resolve the Capitalized Lease Issue pursuant to which the Applicants shall receive US$8,000,000 of the Capitalized Lease Escrow Amount and the Purchaser shall receive the remaining US$4,008,073 of the Capitalized Lease Escrow Amount;

10. The Lease Resolution is being documented pursuant to a stipulation (the "**Lease Stipulation**") which is currently being finalized;

11. The Lease Resolution is a fair and reasonable settlement of the Capitalized Lease Issue, and in the best interest of the Applicants' stakeholders;

12. The Applicants will also seek approval of the Lease Resolution, as documented by the Lease Stipulation, from the U.S. Court;

Stay Extension

13. The extension of the Stay Period will allow the Applicants to continue to wind up the Restructuring Proceedings;

14. The Monitor supports the extension of the Stay Period to October 1, 2017;

15. The Applicants have acted and continue to act in good faith and with due diligence and no creditor will suffer any material prejudice if the Stay Period is extended;

General

16. The provisions of the CCAA, including sections 11 and 11.02 thereof, and the inherent and equitable jurisdiction of this Canadian Court;

17. Rules 1.05, 2.03, 3.02, 5.04 and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

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

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

1. The Affidavit of Brian J. Fox sworn July 11, 2017 and the Exhibits attached thereto;

2. The Ninth Report of the Monitor, to be filed; and

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

July 11, 2017

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

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

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

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

Lawyers for the Applicants

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

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF OLD PSG WIND-DOWN LTD. ET. AL.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

NOTICE OF MOTION
(RETURNABLE JULY 17, 2017)

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

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

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

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

Lawyers for the Applicants

TAB 2

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)

AFFIDAVIT OF BRIAN J. FOX
(Sworn July 11, 2017)

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 of Alvarez & Marsal North America LLC ("**A&M**") and the Court-appointed Chief Restructuring Officer of Old PSG Wind-down Ltd. ("**PSG**"), Old BHR Wind-down Corp., Old BPSU Wind-down Corp., Old BPSDS Wind-down Corp., Old EBS Wind-down Corp., Old EBS Wind-down Corp., Old PLG Wind-down Corp., Old PSGI Wind-down Corp., Old BHR Inc., Old BH Inc., Old BPSU Inc., Old BPSCI Inc., Old BPSCI Inc., Old BPSUSH Inc., Old EBS Inc., Old PLG Inc., and Old PSGI Inc. (collectively, the "**Applicants**" or the "**PSG Entities**").

2. As a result of my engagement with the Applicants, I have knowledge of the Applicants' former business, operations, properties and finances and as such have knowledge of the matters to which I hereinafter depose.

3. This affidavit is sworn in support of the Applicants' motion seeking an Order:

(a) Approving a Lease Stipulation between the Applicants (by and through Old EBS Inc. (f/k/a Easton Baseball/Softball Inc.), on behalf of itself and its affiliated Applicants) and the Purchaser which settles the outstanding Capitalized Lease Issue between the parties (as those terms are defined below); and

(b) Extending the Stay Period (as that term is defined below) to October 1, 2017.

A. Background

4. The PSG Entities formerly designed, developed, manufactured, marketed and sold performance sports equipment and accessories for ice hockey, roller hockey, lacrosse, baseball and softball, as well as related apparel.

5. On October 31, 2016 (the "**Filing Date**"), in response to a confluence of significant negative events affecting the Applicants' business and leading to a liquidity crisis, the Applicants sought and obtained an Initial Order (as amended and restated, 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 Applicants also filed for creditor protection (the "**Chapter 11 Proceedings**") in the 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. Code**").

6. Pursuant to the Initial Order, Ernst & Young Inc. was appointed as the monitor (the "**Monitor**") of the Applicants in these CCAA proceedings (the "**CCAA Proceedings**" and together with the Chapter 11 Proceedings, the "**Restructuring Proceedings**").

7. An essential component of the Applicants' restructuring was the going concern sale of substantially all of their assets following a comprehensive marketing and sales process. On November 30, 2016, the Courts issued and entered orders approving a sales process (the "**Sales Process**") to be implemented through these Restructuring Proceedings, including bidding procedures governing the Sales Process and a stalking horse asset purchase agreement dated October 31, 2016, (as amended, the "**Asset Purchase Agreement**") for the

sale of substantially all of the Applicants' assets to 9938982 Canada Inc. or its designate (in either case, the "**Purchaser**").

8. On February 6, 2017, the Courts issued and entered orders, among other things, naming the Purchaser as the successful bidder in the Sales Process and approving the Asset Purchase Agreement and associated sale transaction, and vesting all of the purchased assets under the Asset Purchase Agreement in the Purchaser free and clear of any security, claims, charges or other restrictions other than permitted encumbrances.

9. Closing of the sale transaction contemplated under the Asset Purchase Agreement was announced on February 28, 2017 (the "**Closing**").

B. Capitalized Lease Issue

10. Prior to Closing, the Applicants and the Purchaser could not reach agreement on the calculation of the purchase price due to a disagreement about whether a lease of Old EBS Inc. (f/k/a Easton Baseball/Softball Inc.), a US-incorporated Applicant, in respect of a property in Thousand Oaks, California constituted a "Capitalized Lease" under the Asset Purchase Agreement (the "**Capitalized Lease Issue**"). Under the Asset Purchase Agreement, liabilities related to capitalized leases were included in Specified Assumed Liability Deduction Amount (as that term is defined in the Asset Purchase Agreement) and deducted from the purchase price payable by the Purchaser to the Applicants at the Closing, whereas operating leases were assumed by the Purchaser without a corresponding deduction to the purchase price.

11. The Monitor previously reported to the Court on the Capitalized Lease Issue in its Seventh Report dated April 7, 2017.

12. To facilitate the Closing, the Applicants and Purchaser entered into the Third Amendment to the Asset Purchase Agreement dated February 27, 2017 (the "**Third Amendment**"). Pursuant to the Third Amendment, the Applicants and the Purchaser agreed to instruct the escrow agent under the Asset Purchase Agreement (the "**Escrow Agent**"), who was holding a deposit previously paid pursuant to the Asset Purchase Agreement (the "**Deposit**"), to retain US$12,008,073 of the Deposit (the "**Capital Lease**

Escrow Amount") pending resolution of the Capitalized Lease Issue and jointly instructing the Escrow Agent to disburse the Capital Lease Escrow Amount. The Third Amendment provided that the Applicants and Purchaser could settle the Capitalized Lease Issue by an agreement approved by the Courts. A copy of the Third Amendment is attached hereto as Exhibit "A".

13. Following the Closing, the Applicants and their advisors engaged in discussions with the Purchaser regarding settlement of the Capitalized Lease Issue. The Applicants believed that litigating the Capitalized Lease Issue could result in the estates of the Applicants incurring significant expenses, reducing potential recoveries for stakeholders. The Applicants consulted with the Monitor and their statutory committee of equity security holders appointed under the U.S. Code (the "**Equity Committee**") regarding potential resolutions discussed in these negotiations.

14. The Applicants and the Purchaser have agreed to resolve the Capitalized Lease Issue (the "**Lease Resolution**"). The Lease Resolution will result in the Applicants receiving US$8,000,000 of the Capitalized Lease Escrow Amount and the Purchaser receiving the remaining US$4,008,073 from the Capital Lease Escrow Amount. The Lease Resolution is being documented pursuant to a stipulation (the "**Lease Stipulation**") which is currently being finalized. If approved by the Courts, the Lease Stipulation will result in full and final settlement the Capitalized Lease Issue and mutual releases in favour of the Applicants and the Purchaser. The Lease Stipulation will be provided to the Canadian Court and stakeholders as soon as possible. However, if the Lease Stipulation cannot be finalized by July 17, 2017 (the date which the Applicants' motion is returnable), the Applicants will not seek approval from the Canadian Court at this motion and the relief will be sought at a later date.

15. PSG's board of directors has considered and approved the Lease Resolution. The Applicants' believe in their business judgement that the Lease Resolution provides for a fair reasonable settlement of the Capitalized Lease Issue and is in the best interests of their stakeholders. The Lease Resolution will allow the Applicants to recover a substantial portion of the Capital Lease Escrow Amount, avoid the costs of litigating the Capitalized Lease Issue and allow the Restructuring Proceedings to progress in an efficient manner.

Without resolution of the Capitalized Lease Issue, the entire Capital Lease Escrow Amount remains at risk for being unavailable to ultimately distribute to the Applicants' stakeholders.

16. The Applicants have consulted with the Equity Committee and unsecured creditors' committee (the "**UCC**") on the Lease Resolution and it is supported by both committees. The Applicants will also seek approval of the Lease Resolution, as documented by the Lease Stipulation, from the U.S. Court.

C. Stay Extension

17. The Initial Order granted a stay of proceedings up to and including November 30, 2016 (the "**Stay Period**"). The Stay Period has since been extended on three occasions and currently expires on August 1, 2017. The Applicants are seeking to extend the Stay Period to October 1, 2017.

18. During the latest Stay Period, the Applicants continued to address post-Closing allocation and reconciliation issues required by the Asset Purchase Agreement. Additionally, the Applicants have worked with their advisors, the Monitor, the Equity Committee and UCC, to resolving outstanding issues in the Restructuring Proceedings, including the Capitalized Lease Issue. The Applicants have also been in discussion with these parties to determine the nature of the mechanism to distribute the proceeds from the sale of their assets to stakeholders.

19. The Applicants also have been reviewing and reconciling claims filed in the Restructuring Proceedings. In the Chapter 11 Proceedings, the Applicants have filed a notice of claims previously satisfied, setting out nearly a thousand claims which have been satisfied through post-filing payments or assumption of the liability by the Purchaser pursuant to the Asset Purchase Agreement. Following reconciliation of the remaining claims, the Applicants expect that there will only be a limited number of disputed claims that will need to be resolved in a manner determined by the Courts.

20. During the proposed Stay Period, the Applicants intend to:

(a) Complete all post-closing transactional matters with the Purchaser;

(b) Continue to reconcile claims filed in the Restructuring Proceedings and conduct a claims process pursuant to a further order of the Canadian Court to have any disputed claims determined on a final basis for distribution purposes;

(c) Continue working with their advisors, the Monitor, and stakeholders, including the Equity Committee and UCC, to determine an efficient manner to the wind up the Restructuring Proceedings and distribute the proceeds from the sale of their assets to their stakeholders; and

(d) Address any other issues as they arise in the Restructuring Proceedings.

21. It is my understanding that the Monitor supports the extension of the Stay Period to October 1, 2017. The extension of the Stay Period will allow the Applicants to continue to wind up the Restructuring Proceedings as outlined above.

22. I believe that the Applicants have acted and continue to act in good faith and with due diligence. I do not believe that any creditor will suffer any material prejudice if the Stay Period is extended to October 1, 2017.

SWORN BEFORE ME at the City of New York, State of New York, on July 11, 2017. RUDOLF BAUTISTA RODRIGUEZ Commissioner for Taking Affidavits	BRIAN J. FOX

Rudolf Bautista Rodriguez
Notary Public State of New York
01RO6200466
Qualified in New York County
Commission Expires 02/02/2021

EXHIBIT "A"

EXHIBIT "A"

referred to in the Affidavit of

BRIAN J. FOX

Sworn July 11, 2017

RUDOLF BAUTISTA RODRIGUEZ

Commissioner for Taking Affidavits

Rudolf Bautista Rodriguez
Notary Public State of New York
01RO6200466
Qualified in New York County
Commission Expires 02/02/20~~18~~ 21

EXECUTION VERSION

THIRD AMENDMENT TO ASSET PURCHASE AGREEMENT AND AGREEMENT

THIS THIRD AMENDMENT TO THE ASSET PURCHASE AGREEMENT AND AGREEMENT (this "Amendment") is dated as of February 27, 2017, among Performance Sports Group Ltd., an entity formed under the Laws of British Columbia (the "Company"), the Subsidiaries of the Company listed on the signature pages hereto (collectively, together with the Company, "Sellers"), 9938982 Canada Inc., a corporation organized under the Laws of Canada ("Purchaser"), and the Designated Purchasers (as defined below, and together with Sellers and Purchaser, the "Parties").

WHEREAS, the Company, Sellers and Purchaser are party to that certain Asset Purchase Agreement dated as of October 31, 2016 (as amended pursuant to that certain First Amendment to the Asset Purchase Agreement dated as of January 6, 2017 and that Second Amendment to the Asset Purchase Agreement dated as of February 23, 2017, the "Purchase Agreement"; all capitalized terms used and not otherwise defined in this Amendment shall have the meanings ascribed to them in the Purchase Agreement);

WHEREAS, pursuant to a Notice of Designation, dated as of February 8, 2017, delivered to Sellers pursuant to Section 2.8(b) of the Purchase Agreement, Purchaser notified Sellers of the identities of the Designated Purchasers and provided Sellers with a Counterpart to the Asset Purchase Agreement, dated as of February 8, 2017, in respect of each such Designated Purchaser, namely, Bauer Innovations Canada Ltd. (f/k/a 10096784 Canada Inc.), Bauer Hockey Ltd. (f/k/a 9990089 Canada Inc.), BCE Acquisition US, Inc., Cascade Maverik Lacrosse, LLC, Bauer Hockey Retail, LLC, Bauer Hockey, LLC, Bauer Innovations US, LLC, Easton Diamond Sports, LLC (collectively, the "Designated Purchasers");

WHEREAS, Section 10.4 of the Purchase Agreement permits amendments to the Purchase Agreement if signed in writing by all of the parties thereto;

WHEREAS, the Parties dispute whether the lease in respect of 3500 Willow Lane, Thousand Oaks, California, 91361 by and between Martin Properties, Inc. and Easton Baseball / Softball Inc. dated May 11, 2015 (the "Thousand Oaks Lease") constitutes a "Capitalized Lease" under the Purchase Agreement for purposes of the calculation of the Specified Assumed Liability Deduction Amount at Closing (the "Capitalized Lease Issue"); and

WHEREAS, the Parties dispute whether the amount of capital expenditures made by the Sellers gives rise to a variance under Section 5.7(b)(i) of the Purchase Agreement that constitutes a breach of covenant under the Purchase Agreement, including for purposes of Section 8.3(b) thereof (the "Capex Issue");

NOW, THEREFORE, and in consideration of the foregoing and of the representations, warranties, covenants, agreements and conditions contained herein and in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, agree as follows:

AMENDMENT AND AGREEMENT

1. Amendments to the Purchase Agreement. The first sentence of Section 2.6(a) of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> "(a) Payment of Purchase Price. Pursuant to the terms and subject to the conditions set forth in this Agreement, in consideration of the sale of the Acquired Assets pursuant to the terms hereof, Purchaser, on its own behalf and as agent for the relevant Designated Purchasers, shall (a) assume from Sellers the Assumed Liabilities, and (b) subject to the remaining provisions of this Section 2.6 and provisions of this Agreement regarding application of the Deposit, pay to Sellers an amount (the "Closing Purchase Price") in cash equal to (i) the Base Purchase Price, *plus* or *minus*, as applicable (ii) the amount of the Property Tax Adjustment, as determined in accordance with the terms of Section 6.5, *minus* (iii) the Specified Assumed Liability Deduction Amount as such amount may be adjusted in accordance with Section 19 of the Transition Services Agreement by and among the Sellers and the Purchaser dated as of February 27, 2017, *minus* (iv) the PCR AE Holdback Amount, *minus* (v) $1,700,000, solely as consideration for the settlement of the dispute as to whether the amount of capital expenditures made by the Sellers constitutes a breach of Section 5.7(b)(i) of the Purchase Agreement, including for purposes of Section 8.3(b) thereof.

2. Covenants Regarding Below Issues. In full and final resolution of the issues set forth below, the Parties covenant and agree as follows:

   a. Capitalized Lease Issue: In full resolution of the Capitalized Lease Issue for purposes of closing the transactions contemplated by the Purchase Agreement, the Parties covenant and agree that:

      i. Notwithstanding anything to the contrary in Section 2.7(b)(iii)(B) of the Purchase Agreement, the Company and Purchaser shall deliver, or cause to be delivered, an executed joint instruction letter instructing the Deposit Escrow Agent to (A) retain $12,008,073 of the Deposit (the "Capital Lease Escrow Amount") until such time as the Company and Purchaser deliver to the Deposit Escrow Agent a certified copy of a final non-appealable judgment or order from the Bankruptcy Courts instructing or awarding the disbursement of such amount, or an executed joint instruction letter instructing the Deposit Escrow Agent to disburse such amount pursuant to and in accordance with such order, and (B) disburse the balance of the Deposit at the Closing to Sellers in immediately available funds.

      ii. The Parties shall commence proceedings in the Bankruptcy Courts promptly following the Closing Date to determine, on notice to all stakeholders and with request for a hearing, the Capitalized Lease Issue and, if applicable, provide a ruling regarding the amount of the reduction of the purchase price with respect thereto; provided that, in no event shall either Party with respect to the Capitalized Lease Issue request, move or petition the Bankruptcy Courts for damages, payments or an award or determination of such issue in an amount exceeding the Capital Lease Escrow Amount, and any such amount awarded shall be payable by releasing all or a portion of the Capital Lease Escrow Amount from the remaining Deposit Escrow as provided in clause (i) above in the amount and to the party (ies) as determined by the Bankruptcy Courts; provided further, that the Parties may settle the Capitalized Lease Issue (but in no event for an amount in excess of the Capital Lease Escrow Amount) pursuant to a settlement approved by the Bankruptcy Courts. Each Party shall be responsible for its own fees and expenses related thereto.

iii. The Parties agree that the Capital Lease Escrow Amount is an agreed-upon amount solely to resolve the Capital Lease Issue for purposes of Closing and is not to be used in whole or in part as an admission or evidence regarding the amount or merits of the Capitalized Lease Issue.

b. Capex Issue. In full and final resolution of the Capex Issue for all purposes under the Purchase Agreement or otherwise, the Parties agree that Sellers shall pay to Purchaser $1,700,000, which amount shall be paid to Sellers by deduction from the Base Purchase Price as set forth in Section 2.6(a) of the Purchase Agreement, as amended by this Amendment.

3. Seller Representation. Sellers represent and warrant to Purchaser that Sellers' have and are processing checks received from customers in the Ordinary Course.

4. Continuing Effect. Except as expressly provided in the preceding Section 1 (Amendment to the Purchase Agreement), nothing contained herein shall constitute an amendment, modification or waiver of any provision of the Purchase Agreement and the Purchase Agreement shall remain in full force and effect.

5. Other Provisions. The provisions of Article I (Interpretation) and Article X (Miscellaneous) of the Purchase Agreement are incorporated herein by reference and shall apply to the terms and conditions of this Amendment and the Parties *mutatis mutandis*.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date set forth on the cover page of this Amendment.

SELLERS:

PERFORMANCE SPORTS GROUP LTD.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Executive Vice President, General Counsel and Corporate Secretary

BPS US HOLDINGS INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

EASTON BASEBALL / SOFTBALL INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

BAUER HOCKEY, INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Executive Vice President, General Counsel and Corporate Secretary

BAUER HOCKEY RETAIL INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

BAUER PERFORMANCE SPORTS UNIFORMS INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

PERFORMANCE LACROSSE GROUP INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

BPS DIAMOND SPORTS INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

PSG INNOVATION INC.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

BAUER HOCKEY RETAIL CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

EASTON BASEBALL / SOFTBALL CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

BPS DIAMOND SPORTS CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

BAUER PERFORMANCE SPORTS UNIFORMS CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

PERFORMANCE LACROSSE GROUP CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

PSG INNOVATION CORP.

By: /s/ Michael J. Wall
NAME: Michael J. Wall
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

PURCHASER:

9938982 CANADA INC.

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

DESIGNATED PURCHASERS:

BAUER HOCKEY LTD.

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

BAUER INNOVATIONS CANADA LTD.

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

BCE ACQUISITION US, INC.

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

CASCADE MAVERIK LACROSSE, LLC

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

BAUER HOCKEY RETAIL, LLC

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

BAUER HOCKEY, LLC

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

BAUER INNOVATIONS US, LLC

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

EASTON DIAMOND SPORTS, LLC

By: /s/ Samuel Robinson
NAME: Samuel Robinson
TITLE: President

By: /s/ Sacha Haque
NAME: Sacha Haque
TITLE: Secretary

[Signature page to the Third Amendment to APA and Settlement Agreement]

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 OLD PSG WIND-DOWN LTD. ET. AL.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF BRIAN J. FOX
(SWORN JULY 11, 2017)

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

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

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

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

Lawyers for the Applicants

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 17th
	)	
JUSTICE HAINEY	)	DAY OF JULY, 2017

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF OLD PSG WIND-DOWN LTD., OLD BHR WIND-DOWN CORP., OLD BPSU WIND-DOWN CORP., OLD BPSDS WIND-DOWN CORP., OLD EBS WIND-DOWN CORP., OLD PLG WIND-DOWN CORP., OLD PSGI WIND-DOWN CORP., OLD BHR INC., OLD BH INC., OLD BPSU INC., OLD BPSCI INC., OLD BPSUSH INC., OLD EBS INC., OLD PLG INC., AND OLD PSGI INC.

(Applicants)

ORDER
(Re: Stay Extension and Other Relief)

THIS MOTION, made by Old PSG Wind-down Ltd. ("**PSG**"), Old BHR Wind-down Corp., Old BPSU Wind-down Corp., Old BPSDS Wind-down Corp., Old EBS Wind-down Corp., Old EBS Wind-down Corp., Old PLG Wind-down Corp., Old PSGI Wind-down Corp., Old BHR Inc., Old BH Inc., Old BPSU Inc., Old BPSCI Inc., Old BPSCI Inc., Old BPSUSH Inc., Old EBS Inc., Old PLG Inc., and Old PSGI Inc. (together, the "**Applicants**") for an order extending the stay of proceedings to October 1, 2017 and certain other relief was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Brian J. Fox sworn July 11, 2017, and the Ninth Report of Ernst & Young Inc. dated ● in its capacity as Monitor of the Applicants (the "**Monitor**") and on hearing the submissions of counsel for the Applicants, the Monitor and those other parties present, no one appearing for any other party although duly served as appears from the affidavit of service of Lee Nicholson, filed.

SERVICE

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

EXTENSION OF STAY PERIOD

2. **THIS COURT ORDERS** that the Stay Period referred to in the Initial Order of the Honourable Mr. Justice Newbould dated October 31, 2016, as amended and restated, is extended until October 1, 2017.

CAPITALIZED LEASE STIPULATION

3. **THIS COURT ORDERS** that the Stipulation between the Applicants (by and through Old EBS Inc. (f/k/a Easton Baseball / Softball Inc.), on behalf of itself and its affiliated Applicants) and 9938982 Canada Inc. (the "**Purchaser**") dated ● (the "**Lease Stipulation**") attached hereto as Schedule "A", and the transactions and releases contemplated therein, are hereby approved in their entirety.

4. **THIS COURT ORDERS** that the Applicants and the Purchaser are hereby authorized to enter into and perform their obligations under Lease Stipulation and all additional instruments and documents that may be reasonably necessary or desirable to implement the Lease Stipulation.

5. **THIS COURT ORDERS** that upon the Parties (as defined in the Lease Stipulation) to the Lease Stipulation respective receipt of the Purchase Price Payments (as defined in the Lease Stipulation), the releases contemplated by the Lease Stipulation shall be effective and binding on the Parties and their agents.

6. **THIS COURT ORDERS** that nothing in this Order shall derogate from any releases contained in any other Order in these proceedings.

GENERAL

7. **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.

Schedule "A" – Lease Stipulation

[To Be Attached]

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

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. ET AL.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER
(RE: STAY EXTENSION AND OTHER RELIEF)

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

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

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

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

Lawyers for the Applicants

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF OLD PSG WIND-DOWN LTD. ET AL.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

MOTION RECORD
(Re: Stay Extension and Other Relief)
(Returnable July 17, 2017)

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

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

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

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Tel: (416) 869-5604
E-mail: leenicholson@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicants