

October 31, 2016

To the creditors of Performance Sports Group Ltd. and its affiliates

Re: Proceedings under the *Companies' Creditors Arrangement Act*

Take notice that on October 31, 2016, Performance Sports Group Ltd. and other related entities listed below¹ (the "Applicants") commenced court-supervised restructuring proceedings in Canada under the *Companies' Creditors Arrangement Act* (the "CCAA")².

Ernst & Young Inc. has been appointed by the Ontario Superior Court of Justice (Commercial List) (the "Court") as Monitor (the "Monitor") in the Applicants' CCAA proceedings pursuant to an order of the Court made on October 31, 2016 (the "Initial Order"). The Court number assigned for this matter is CV-16-11582-OOCL.

The Applicants have also commenced ancillary insolvency proceedings under Chapter 11 of Title 11 of the *United States Code* in the United States Bankruptcy Court for the District of Delaware. For further information regarding the Chapter 11 proceedings, please visit the dedicated Prime Clerk website at <https://cases.primeclerk.com/psg>.

INITIAL ORDER

The Initial Order provides, among other things, an initial stay of proceedings in favour of the Applicants, until November 30, 2016 (the "Stay Period"), which may be extended by the Court from time to time.

During the Stay Period, all parties are prohibited from commencing or continuing legal action against the CCAA Entities, and all rights and remedies of any party against or in respect of the Applicants or their assets are stayed and suspended, except with the written consent of, *inter alia*, the Applicants and the Monitor, or leave of the Court.

A copy of the said Initial Order, the Report of the Proposed Monitor, as well as various information pertaining to the Debtor's reorganization proceedings under the CCAA, are available on the Monitor's website, at the following address: www.ey.com/ca/psg.

Pursuant to the Initial Order, all persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services are restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, provided that the normal prices or charges

¹ The Applicants in the present proceedings are comprised 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.

² L.R.C. 1985, c. C-36, as modified.

for all such goods or services received after the date of the Initial 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 the Applicants and the Monitor, or as may be ordered by this Court.

The Initial Order prohibits Applicants from making payments of amounts related to the supply of goods or services prior to October 31, 2016, other than certain payments specified in the Initial Order.

To date, no claims procedure has been approved by the Court and creditors are therefore not required to file a proof of claim at this time.

The CCAA provides that various reports must be prepared by the Monitor and filed with the Court, from time to time. These reports include reports on the reasonability of the cash flow projections provided by the Debtor and on the financial and other affairs of the Debtor. Creditors and other stakeholders are advised to consult the Monitor's website periodically to stay abreast of developments in this matter.

Persons requiring further information not available on the Monitor's website may communicate with the Monitor as follows:

Email	psg@ca.ey.com
Toll free from Canada and the United States	1 855 287 4005
International callers	1 416 943 3646
Fax	1 514 879 3999

ERNST & YOUNG INC.
Court Appointed Monitor of Performance Sports Group Ltd *et al.*