E. Liquidation Trust

1. Creation and Funding of the Liquidation Trust; Vesting of Assets

On or before the Effective Date but after the Confirmation Hearing and Canadian Approval Hearing, the Bankruptcy Court and the Canadian Courts shall have approved the formation of the Liquidation Trust pursuant to the Liquidation Trust Agreement and the provisions of this Plan. The Liquidation Trust shall be formed under U.S. law and shall be managed from the U.S. The Liquidation Trustee shall administer the Liquidation Trust, and shall have the powers and duties set forth in the Liquidation Trust Agreement. The Liquidation Trustee shall be designated in the Plan Supplement by the Equity Committee, with the consent of the Creditors' Committee, Monitor and the Debtors, which consent shall not be unreasonably withheld.

Through this Plan, the Shareholder Distributable Assets (other than the Sale Proceeds and any other Cash available for distribution to Holders of Parent Equity Interests after the Initial Cash Distributions are made or reserved for pursuant to Article V.B.3.b hereof (the, "Equity Available Cash")) allocated to the Liquidation Trust (including a proportionate interest in the Retained Causes of Action which are subject to the obligation to pay the Class Settlement Litigation Proceeds to the Lead Plaintiff for the benefit of the Securities Claimants pursuant to the terms of the Class Plaintiff Stipulation and this Plan) for the benefit of Holders of Allowed Parent Equity Interests who elect Option 1 shall vest in the Liquidation Trust as assets of the Liquidation Trust (such assets, the "Liquidation Trust Assets") as a deemed distribution to the Holders of Allowed Parent Equity Interests who elect Option 1 followed immediately by a deemed contribution to the Liquidation Trust from such Holders of their share of Liquidation Trust Assets. It is anticipated that the Liquidation Trust Assets shall consist of (i) the proportionate interest in the Retained Causes of Action (which are subject to the obligation to pay the Class Settlement Litigation Proceeds to the Lead Plaintiff for the benefit of the Securities Claimants pursuant to the terms of the Class Plaintiff Stipulation and this Plan) allocable to the Holders of Allowed Parent Equity Interests that elected Option 1 in accordance with the Asset Apportionment, and (ii) the portion of the Liquidation Trust Expense Reserve allocable to the Holders of Allowed Parent Equity Interests that elected Option 1 in accordance with the Asset Apportionment. It is anticipated that no other Cash shall be transferred (or deemed transferred) to the Liquidation Trust for the Holders of Allowed Parent Equity Interests that elected Option 1.[2] For the avoidance of doubt, the Equity Available Cash shall not constitute Liquidation Trust Assets and shall be distributed Pro Rata to all Holders of Allowed Parent Equity Interests without regard to whether any such Holder elects Option 1 or Option 2 under this Plan.

[2] All references in the Plan to the distribution or deemed distribution of Liquidation Trust Assets (and including the Liquidation Trust Expense Reserve) to electing Holders and the deemed contribution of assets by such Holders to the Liquidation Trust are intended to comply with the analysis set forth in Revenue Procedure 94-45, which is applicable solely for United States federal income tax purposes (and to the extent applicable, state and local income tax purposes). For the avoidance of doubt, as a matter of state, provincial and other applicable commercial laws, it is understood and agreed that the actual transfers of such Liquidation Trust Assets (and including the right to receive the Liquidation Trust Expense Reserve) to the Liquidation Trust will be made by way of direct transfers of such assets by or on behalf of the Reorganized Parent Debtor to the Liquidation Trust as soon as reasonably practicable after the Effective Date in consideration for the receipt by the Reorganized Parent Debtor of Beneficial Trust Interests, which Beneficial Trust Interests will then be distributed to electing Holders (along with rights to receive a Pro Rata share of any other Shareholder Distributable Assets in accordance with the Plan) in exchange for such electing Holders' Parent Equity Interests.

This Plan shall be considered a motion pursuant to Sections 105, 363 and 365 of the Bankruptcy Code authorizing the creation of, and vesting of assets in, the Liquidation Trust, and the Confirmation Order shall be considered an order granting such relief. The transfer of the Liquidation Trust Assets to the Liquidation Trust shall be made for the benefit of and on behalf of the Liquidation Trust Beneficiaries. For all U.S. federal income tax purposes, the transfer of the Liquidation Trust Assets to the Liquidation Trust shall be treated as (1) a transfer of the Liquidation Trust Assets directly to the Liquidation Trust Beneficiaries, followed by (2) the transfer of such Liquidation Trust Assets by the Liquidation Trust Beneficiaries to the Liquidation Trust in exchange for the Liquidation Trust Beneficial Interests. The Liquidation Trust Beneficiaries shall be treated as the grantors and owners of the Liquidation Trust (other than the Liquidation Trust Assets as are allocable to the Reserves).

As soon as reasonably practicable after the Effective Date, (i) the Liquidation Trustee shall make a good faith valuation of the Liquidation Trust Assets and the Beneficial Trust Interests, and (ii) the Liquidation Trustee shall establish appropriate means to apprise the Liquidation Trust Beneficiaries of such valuation. The valuation shall be used consistently by all parties (including the Debtors, the Liquidation Trustee and the Liquidation Trust Beneficiaries) for all U.S. federal and other income tax purposes. The Liquidation Trustee also shall file (or cause to be filed) any other statements, returns, or disclosures relating to the Liquidation Trust that are required by any Governmental Unit.

2. Rights and Powers of the Liquidation Trustee

The Liquidation Trustee shall have all the rights and powers set forth in this Plan (including those conferred upon him as the Litigation Representative pursuant to Article V.E.12 of this Plan) and the Liquidation Trust Agreement to act on behalf of the Liquidation Trust, including the right to (a) effect all actions and execute all agreements, instruments and other documents, and exercise all rights and Privileges previously held by the Debtors, necessary or convenient to implement the provisions of this Plan and the Liquidation Trust Agreement, (b) subject to the Liquidation Trust Agreement and this Plan, prosecute, settle, abandon or compromise the Retained Causes of Action on behalf of the Liquidation Trust and the Debtors, (c) authorize distributions as contemplated by and in accordance with this Plan, and (d) make disbursements from the Liquidation Trust Expense Reserve (or, prior to the funding of the Liquidation Trust Expense Reserve, from Cash held by the Reorganized Parent Debtor) on behalf of the Liquidation Trust and the Reorganized Parent Debtor.

Pursuant to Article V.E.12 hereof, the Liquidation Trustee, in its capacity as Litigation Representative, for the benefit of and on behalf of the Liquidation Trust and the Debtors, without further order of the Bankruptcy Court or the Canadian Court but subject to the Liquidation Trust Agreement and this Plan, shall have full power and authority to (i) investigate, prosecute, abandon, settle, liquidate, or otherwise resolve the Retained Causes of Action, (ii) retain counsel and other professionals in connection with investigating, prosecuting, abandoning, settling, liquidating, or otherwise resolving the Retained Causes of Action, under such arrangements regarding compensation and other terms as the Liquidation Trustee may deem reasonable and appropriate, and (iii) to the extent consistent with the provisions of U.S. tax laws applicable to liquidating trusts, enter into third-party arrangements for the funding of the foregoing activities of the Litigation Representative in respect of the Retained Causes of Action, which arrangements may include granting interests in the Retained Causes of Action or the proceeds thereof; provided, however, that any such third-party arrangements shall be non-recourse except as to any proceeds received in respect of the Retained Causes of Action subject to such third-party arrangements. Funds in the Liquidation Trust Expense Reserve (whether held by the Reorganized Parent Debtor or the Liquidation Trust) may be used to pay the fees, costs, and expenses (including attorney's fees and other professional fees) that the Liquidation Trust may incur in connection with the implementation of this Plan, including the fees and expenses related to investigating, prosecuting, abandoning, settling, liquidating, or otherwise resolving the Retained Causes of Action.

3. Retention of Professionals

In its capacity as Litigation Representative on behalf of the Debtors and the Liquidation Trust pursuant to Article V.E.12 of this Plan, the Liquidation Trustee may retain counsel and other professionals on behalf of the Liquidation Trust to assist the Liquidation Trust in exercising its rights and powers under the Liquidation Trust Agreement and implementing this Plan. Funds in the Liquidation Trust Expense Reserve (whether held by the Reorganized Parent Debtor or the Liquidation Trust) and, to the extent necessary, the Cause of Action Net Proceeds may be used by the Liquidation Trustee to pay the fees, costs, and expenses that the Liquidation Trust may incur in connection with the implementation of this Plan.

4. Post-Effective Date Fees and Expenses of Liquidation Trust and the Debtors

The Wind-Down Expenses of the Liquidation Trust and the Debtors, including for the Chief Wind-Down Officer and the Monitor, incurred on or after the Effective Date shall be paid by the Liquidation Trustee or the Reorganized Parent Debtor out of the Liquidation Trust Expense Reserve without further order of the Bankruptcy Court or Canadian Court. Following the Effective Date, any requirement that a U.S. Professional comply with sections 327 through 331 of the Bankruptcy Code when seeking compensation for services rendered to any of the Debtors, their Estates or the Liquidation Trust shall terminate.

5. Liquidation Trust Advisory Board

The Liquidation Trust Advisory Board shall consist of three (3) Persons. Each member of the Liquidation Trust Advisory Board shall be designated by the Equity Committee with the consent of the Monitor and the Debtors, which consent is not to be unreasonably withheld, and after consultation with the Creditors' Committee. The initial members of the Liquidation Trust Advisory Board shall be identified in the Plan Supplement.

6. Liquidation Trust Transfer Taxes

Any transfer of the Liquidation Trust Assets to the Liquidation Trust shall be exempt from any stamp tax or similar tax, in accordance with section 1146(a) of the Bankruptcy Code.

7. Federal Income Tax Treatment of the Liquidation Trust

The Liquidation Trust shall be established for the sole purpose of distributing the Liquidation Trust Assets, and proceeds therefrom, in accordance with Treasury Regulation section 301.7701-4(d) and Revenue Procedure 94-45, with no objective to continue or engage in the conduct of a trade or business, and are intended to qualify as a liquidating trust for U.S. federal income tax purposes. In general, a liquidating trust such as the Liquidation Trust is not a separate taxable entity for U.S. federal income tax purposes, but is instead treated as a grantor trust, i.e., pass-through entity. All parties must treat the transfer of the portion of the Liquidation Trust Assets attributable to the Liquidation Trust Beneficiaries as a transfer of such assets directly to the Liquidation Trust Beneficiaries. Consistent therewith, all parties must treat the Liquidation Trust as a grantor trust of which the Liquidation Trust Beneficiaries are the owners and grantors. Subject to the terms of the Liquidation Trust Agreement, the value of a Liquidation Trust Beneficiary's Allowed Parent Equity Interest (less any Cash distribution received from the Reorganized Parent Debtor) shall be the value of such Liquidation Trust Beneficiary's Liquidation Trust Beneficial Interest, and the Liquidation Trust Beneficiaries and the Liquidation Trust must consistently use this valuation for all U.S. and other federal income tax purposes, including for determining gain, loss or tax basis.

If any Holder of Allowed Parent Equity Interests elects Option 1 and the Liquidation Trust is subject to adverse tax consequences in Canada as a result of such Holder holding Beneficial Trust Interests, any transfer to such Holder and the cancellation of such Holder's Parent Equity Interests may be deemed void ab initio by the Liquidating Trustee, in the Liquidating Trustee's sole discretion, in which event the Holder whose election was deemed null and void shall retain its Allowed Parent Equity Interests in the Reorganized Parent Debtor, and the Reorganized Parent Debtor, the Holder and the Liquidation Trust shall each treat such Holder at all times as if such Holder had elected Option 2.

8. Dissolution of the Liquidation Trust

The Liquidation Trust shall be dissolved no later than five (5) years from the Effective Date, unless the Bankruptcy Court, upon motion made prior to such fifth (5th) anniversary without the need for a favorable letter ruling from the IRS that any further extension would not adversely affect the status of either as a Liquidation Trust for federal income tax purposes, determines that a fixed period extension, not to exceed five (5) years, is necessary to facilitate or complete the recovery on and liquidation of the Liquidation Trust Assets. Upon the filing of any motion for an extension of the date of dissolution, such date shall be deemed automatically extended until an order of the Bankruptcy Court is entered with respect to such motion or the motion is withdrawn.

9. Liquidation Trust Securities Law Matters

To the extent the Liquidation Trust Beneficial Interests are deemed to be "securities," the issuance of such interests under the Plan, are exempt, pursuant to section 1145 of the Bankruptcy Code, from registration under the Securities Act of 1933, as amended, and any applicable U.S. federal, state and local laws requiring registration of securities. Notwithstanding the foregoing and the current intention of the Parent Debtor to make an application to the

Canadian Securities Regulators as soon as practicable to cease to be a reporting issuer in accordance with applicable Canadian Securities Laws, the issuance of the Liquidation Trust Beneficial Interests may give rise to certain reporting and disclosure requirements and obligations in accordance with Canadian Securities Laws notwithstanding receipt of the CCAA Approval Order. As a result, it may be necessary for the Reorganized Parent Debtor to apply to the Canadian Securities Regulators for exemptive relief from applicable Canadian Securities Laws and there can be no assurance that such exemptive relief from reporting and disclosure requirements and obligations under applicable Canadian Securities Laws will be considered or granted in a timely manner or at all. *See Risk Factor "Q. The Liquidation Trust Beneficial Interests May Not Be Exempt"* in the Disclosure Statement. It is currently anticipated that the Liquidation Trust Beneficial Interests shall be uncertificated and non-transferable except to the extent expressly provided otherwise in the Liquidation Trust Agreement to be included in the Plan Supplement.

10. Ability to Seek and Obtain Discovery under Bankruptcy Rule 2004

From and after the Effective Date, in connection with the Retained Causes of Action, pursuant to subparagraph (12) of this Article: (i) the Liquidation Trustee, in its capacity as the Litigation Representative for the Debtors and the Liquidation Trust, shall have the ability to seek and obtain examinations (including document discovery and depositions) under Bankruptcy Rule 2004 (and equivalent Canadian legislation) against any Person or Entity, and (ii) the Bankruptcy Court (and Canadian Court) shall retain jurisdiction to order examinations (including examinations under Bankruptcy Rule 2004) against any Person or Entity, and to hear all matters with respect to the same.

11. Preservation of Privileges and Books and Records of the Estates and Debtors

On the Effective Date, the Debtors shall be deemed to have transferred and assigned all of their respective rights, titles, and interests in any privilege or immunity of the Debtors' Estates, including the attorney-client privilege and any privileges in respect of any Retained Causes of Action (collectively, the "Privileges"), to the Liquidation Trust and the Reorganized Debtors, and all such Privileges shall automatically vest in the Liquidation Trust and the Reorganized Debtors, jointly, as of the Effective Date; provided, however, that, pursuant to subparagraph (12) of this Article, the Liquidation Trustee, in its capacity as the Litigation Representative for the Debtors and the Liquidation Trust, shall be vested with the sole power and authority to waive or assert such Privileges for the joint benefit of the Debtors and the Liquidation Trust. In addition, on the Effective Date, (a) the Equity Committee shall transfer all books and records that originated from the Debtors in the possession of the Equity Committee to the Liquidation Trust and (b) the Debtors shall be deemed to have transferred and assigned all of their rights and obligations with respect to their books and records and access thereto, including any rights and obligations under the Sale Orders, to the Liquidation Trust and the Debtors, and all such rights and obligations shall automatically vest in the Liquidation Trust and the Debtors as of the Effective Date. The Debtors' Professionals agree that, after the Effective Date, they shall provide reasonable assistance and cooperation to the Debtors, the Liquidation Trust, and the Reorganized Parent Debtor, as applicable, and each of their respective professionals, in connection with the investigation and prosecution of the Retained Causes of Action, including by

(i) delivering any books and records of the Debtors or other materials (including any documents or materials of the Debtors that may be subject to any Privileges) that may be relevant to the Retained Causes of Action and that are in the respective possession, custody, or control of any such Debtor Professionals, and (ii) responding to any reasonable inquiries made by the Debtors, the Liquidation Trust, or the Reorganized Parent Debtor, as applicable, or any of their respective professionals, in respect of the investigation and prosecution of the Retained Causes of Action; provided, however, that the reasonable assistance and cooperation of the Debtors' Professionals as set forth herein shall be subject in all respects to any applicable ethical rules or obligations of such Debtor Professionals, and shall be compensable as a Wind-Down Expense of the Liquidation Trust.

Within a reasonable time after the Effective Date of the Plan, Lead Plaintiff shall serve on the Liquidation Trust the "one time" discovery demand provided for in Paragraph 8 of the Class Plaintiff Stipulation (the "One Time Discovery Demand"). The Liquidation Trust shall provide written notice (email to counsel, metkin@lowenstein.com and cgilden@cohenmilstein.com being sufficient) to the Lead Plaintiff after the Liquidation Trust determines that it has satisfied its obligations under the Plan and the Class Plaintiff Stipulation in respect of the One Time Discovery Demand (such notice, the "One Time Discovery Demand Notice of Satisfaction").

Upon receipt of a One Time Discovery Demand Notice of Satisfaction, if Lead Plaintiff determines that the Liquidation Trust's production(s) in response to the One Time Discovery Demand were incomplete, Lead Plaintiff shall have sixty (60) calendar days from the receipt of such One Time Discovery Demand Notice of Satisfaction to provide written notice (email being sufficient) to the Liquidation Trust asserting that the Liquidation Trust's production(s) in response to the One Time Discovery Demand were incomplete by identifying with specificity (*e.g.*, by Bates number) the produced document that was allegedly incomplete and the basis for asserting that such produced document was allegedly incomplete.

To the extent that the Liquidation Trust and Lead Plaintiff have a disagreement as to whether or not the Liquidation Trust's production(s) in response to the One Time Discovery Demand were complete (a "Discovery Disagreement"), any such Discovery Disagreement shall be resolved by the mutual agreement of the Liquidation Trust and Lead Plaintiff or by the Bankruptcy Court.

The Liquidation Trust shall maintain all books and records originating from the Debtors that are transferred to the Liquidation Trust from the Effective Date through the later of: (i) the date that is sixty (60) days after the date that the Liquidation Trust provides Lead Plaintiff with a One Time Discovery Demand Notice of Satisfaction; and (ii) if there is a Discovery Disagreement, the date that such Discovery Disagreement is resolved by mutual agreement of the Liquidation Trust and Lead Plaintiff or by the Bankruptcy Court.

12. Appointment of Liquidation Trustee by Canadian Court and Bankruptcy Court as Representative of the Debtors and Liquidation Trust in Respect of the Retained Causes of Action

On or before the Effective Date, the Canadian Court and the Bankruptcy Court shall have entered orders (which, in the case of the Bankruptcy Court shall be the Confirmation Order and, in the case of the Canadian Court, shall be the CCAA Approval Order) appointing the Liquidation Trustee as the Litigation Representative of the Debtors and the Liquidation Trust and otherwise vesting the Liquidation Trustee with sole responsibility, power and authority (subject only to the terms of this Plan and the review and approval of the Liquidation Trust Advisory Board as required by the Liquidation Trust Agreement, and the Board of Directors of the Reorganized Parent Debtor to the extent required under its amended and restated organizational documents) for investigating, prosecuting, settling and liquidating the Retained Causes of Action, jointly on behalf of the Debtors and the Liquidation Trust. Without limitation of the generality of the foregoing, in its capacity as Litigation Representative, the Liquidation Trustee shall have the exclusive power and authority (subject only to the review and approval of the Liquidation Trust Advisory Board as provided in the Liquidation Trust Agreement, and the Board of Directors of the Reorganized Parent Debtor to the extent required under its amended and restated organizational documents) to (i) assert or waive any applicable Privileges, (ii) seek discovery pursuant to Bankruptcy Rule 2004, (iii) investigate Retained Causes of Action, (iv) assert the Debtors' rights in respect to their books and records, (iv) elect whether to prosecute, settle or otherwise liquidate such Retained Causes of Action, and (v) to use funds in the Liquidation Trust Expense Reserve, whether held by the Reorganized Parent Debtor or Liquidation Trust, to pay professional fees and other Wind-Down Expenses incurred by the Liquidation Trust and/or the Reorganized Parent Debtor, in each case without further approval of the Bankruptcy Court or the Canadian Court or the Reorganized Parent Debtor, but for the joint benefit of the Holders of Equity Interests in the Reorganized Parent Debtor and Beneficial Trust Interests in the Liquidation Trust as provided hereunder. The Securities Claimants shall have no right to intervene or otherwise participate in the investigation or prosecution of the Retained Causes of Action (except that the Securities Claimants shall have a limited right to discovery to the extent provided in the Class Plaintiff Stipulation).

13. Savings of Retained Causes of Action

If the vesting of interests in Retained Causes of Action with the Liquidation Trust shall compromise the ability to prosecute or recover from any Retained Causes of Action, then notwithstanding anything else contained herein, an interest in such Retained Causes of Action shall not be deemed to have vested in the Liquidation Trust, but rather shall be deemed solely vested with or otherwise retained by the Reorganized Parent Debtor or other applicable Debtor. In such situation, (i) the Liquidation Trustee shall continue to serve as the Litigation Representative on behalf of the Reorganized Parent Debtor with full power and authority respecting all aspects of such Retained Cause of Action as provided in this Plan, including prosecution in the name of the applicable Debtor, funding for same, and terms of settlement and (ii) the Liquidation Trust and applicable Debtor shall share costs and proceeds pertaining to such Retained Cause of Action so as to realize the Asset Apportionment otherwise described in the Plan. Nothing set forth herein shall be deemed applicable to, or binding with respect to, the U.S. federal income tax reporting obligations of the Liquidation Trust or Liquidation Trustee, if any, and for the avoidance of doubt the Liquidation Trust and Liquidation Trustee shall comply with, and report as required in their sole judgment in compliance with, such U.S. federal income tax laws as may be applicable to the Liquidation Trust and the holders of Beneficial Trust Interests.

F. Cancellation of Unexercised and Unvested Interests

On the Effective Date, any contingent or unexercised option, warrant, or right, contractual or otherwise, to acquire or be awarded any interest in a Debtor, including but not limited to unvested restricted share units, or other such forms of interest, including those held by former officers, employees or directors of the Debtors as a form of compensation, except for restricted share units and deferred share units identified in the Plan Supplement (which represent restricted share units having vested in the ordinary course of business prior to the Petition Date and deferred share units granted or owing to a former director of the Parent Debtor prior to the Effective Date, including, for greater certainty, those which were not granted due to the stay of proceedings in the Chapter 11 Cases and CCAA Proceedings) shall be cancelled without the exchange of any similar interest, or other form of consideration. Any Proof of Claim or Interest filed on account of such cancelled interests shall be disallowed as a Claim or Interest for which the Debtors have no liability and the Claims and Solicitation Agent may adjust the Claims Register accordingly to reflect such disallowance without further order of the Bankruptcy Court or Canadian Court.

VI. PROCEDURES FOR RESOLVING DISPUTED CLAIMS; CLAIM RESERVES

A. Prosecution of Objections to U.S. Claims

After the Effective Date, the Liquidation Trust shall have and retain any and all rights and defenses that any Debtors may have with respect to any U.S. Claims, and shall have the authority, after consultation with the Monitor, to file objections and to settle, compromise, withdraw or litigate to judgment objections to Claims against the U.S. Debtors (except those Allowed by this Plan, the Confirmation Order or other Final Order). The Liquidation Trust, after consultation with the Monitor, shall have the authority to compromise, settle, otherwise resolve, or withdraw, any objections to Disputed Claims on account of U.S. Claims without approval of the Bankruptcy Court. Any final determination of the U.S. Claims made in the Chapter 11 Cases shall be binding in the CCAA Proceedings and constitute Final Orders with respect to such Claims.

The U.S. Debtors (after the later of the Confirmation Date and the CCAA Approval Order Date, and until the Effective Date) or the Liquidation Trust (from and after the Effective Date), shall file objections to any U.S. Disputed Claims with the Bankruptcy Court in accordance with the Bankruptcy Rules on or before the Claims Objection Deadline, as the same may be extended pursuant to the terms of this Plan or order of the Bankruptcy Court.

B. Prosecution of Objections to Canadian Claims

The Monitor, after consultation with the Liquidation Trustee and the Reorganized Parent Debtor, will allow and disallow Canadian Claims in accordance with the Claims Resolution Order granted by the Canadian Court and the authority contained therein. Any objection to a notice of disallowance or revision issued by the Monitor shall only be made to the

Monitor in accordance with the Claims Resolution Order. Any final determination of the Canadian Claims made in the CCAA Proceedings pursuant to the Claims Resolution Order shall be binding in the Chapter 11 Cases and constitute Final Orders with respect to such Claims.

C. Cross-Border Provisions for Resolution of Certain Claims

1. Multiple Disputed Claims

In the event that a Disputed Claim has been separately filed against one or more Canadian Debtors and one or more U.S. Debtors and also with respect to Securities Law Claims (other than the Securities Claims, which are Allowed pursuant to this Plan), the Monitor and Liquidation Trustee may determine a mutually acceptable process for prosecuting and resolving such Claim in accordance with the Claims Resolution Order, including deciding to liquidate such Disputed Claim under this Plan as a Disputed Canadian Claim or Disputed U.S. Claim, respectively, and if no agreement can be reached, the Bankruptcy Court and Canadian Court shall decide the process by an order of both courts. Any appeal in respect of such Disputed Claim shall only be made to the Monitor in accordance with the Claims Resolution Order if such Disputed Claim is treated as a Disputed Canadian Claim or to the U.S. Debtor or Liquidation Trustee, as applicable, if such Disputed Claim is treated as a Disputed U.S. Claim.

2. Applicable Statutory Caps

To the extent that a provision of the Bankruptcy Code or a provision of the CCAA or an order of the Canadian Court limits the Allowed amount of a particular type of Claim (e.g., sections 502(b)(6) and 502(b)(7) of the Bankruptcy Code), the distribution on such Allowed Claim under this Plan shall not exceed the lesser of (a) the Allowed amount such Claim is entitled to under the provisions of the Bankruptcy Code; and (b) the Allowed amount such Claim is entitled to under the CCAA or any order of the Canadian Court.

3. Estimation of Claims

The Liquidation Trust, after consultation with the Monitor, may, at any time after the Effective Date, request that the Bankruptcy Court estimate any contingent or unliquidated U.S. Claim respectively, pursuant to section 502(c) of the Bankruptcy Code, regardless of whether any Debtor previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any U.S. Claim at any time, including during litigation concerning any objection to any U.S. Claim, and during the pendency of any appeal relating to any such objection.

The Monitor may, at any time after the Effective Date and after consultation with the Liquidation Trustee, request that the Canadian Court or claims officer appointed by the Canadian Court to estimate, determine or resolve any contingent or unliquidated Canadian Claim respectively, pursuant to the CCAA and in accordance with the Claims Resolution Order.

If the Bankruptcy Court or the Canadian Court or a claims officer appointed by the Canadian Court estimates any contingent or unliquidated Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the applicable court. If the estimated amount constitutes a maximum limitation on such Claim, the Liquidation Trust or Monitor, as applicable, may elect to pursue any supplemental proceedings to object to the allowance and any ultimate payment on such Claim. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court or the Canadian Court, as applicable, including under this Plan, the CCAA Approval Order or the Claims Resolution Order.

4. Distributions on Allowed Claims Other Than the Securities Claims

As further provided in Article VII of this Plan, the Distribution Agent shall make all distributions on Allowed Claims other than the Securities Claims from the Sale Proceeds. The Liquidation Trustee shall direct the Distribution Agent to make distributions on account of Allowed U.S. Claims and the Monitor shall direct the Distribution Agent to make distributions on account of Allowed Canadian Claims. The Reorganized Parent Debtor shall distribute the Class Settlement Cash Consideration to the Class Settlement Escrow, and the Reorganized Parent Debtor or the Liquidation Trust, as appropriate, shall distribute the Class Settlement Litigation Proceeds to the Class Settlement Escrow.

D. No Double Recovery on Allowed Cross-Border Claims

The aggregate recovery under this Plan, on the one hand, and in the CCAA Proceedings under the CCAA Approval Order, on the other hand, on account of any Claim for which more than one Debtor is liable, whether on account of a theory of primary or secondary liability, by reason of a guarantee agreement, indemnity agreement, joint and several liability or otherwise shall not exceed 100% of the Allowed amount of the Claim as determined in accordance with this Plan, the CCAA Approval Order or the Claims Resolution Order, as applicable.

E. Reserves

1. Liquidation Trust Expense Reserve

On the Effective Date, the Debtors or the Distribution Agent will fund with Cash the Liquidation Trust Expense Reserve in the amount set forth in the Plan Supplement, and the Liquidation Trust Expense Reserve will remain under the control of the Reorganized Parent Debtor until (1) a Clearance Certificate is obtained that permits transfer of the Liquidation Trust Expense Reserve to the Liquidation Trust or (2) the Board of Directors of the Reorganized Parent Debtor otherwise resolves to disburse such funds; provided, however, that at least $100,000 of the Liquidation Trust Expense Reserve shall be funded into the Liquidation Trust within 60 days of the Effective Date, unless the Board of Directors of the Reorganized Parent Debtor, with the consent of the Liquidation Trustee, which consent shall not be unreasonably withheld, reasonably determines that such funding should not be made, and provided, further, that Wind-Down Expenses and expenses of the Liquidation Trust (including, but not limited to, professional fees incurred in connection with the Retained Causes of Action) may be paid from any reserves prior to the issuance of a Clearance Certificate. Once distributed by the Reorganized Parent Debtor, the Pro Rata portion of the Liquidation Trust Expense Reserve attributable to beneficial Holders of Allowed Parent Equity Interests that elect Option 1 under the Plan shall be treated as deemed distributions to such Holders followed immediately by deemed contributions by such Holders to the Liquidation Trust, including for all U.S. federal income tax purposes. To the extent any Cash remains in the Liquidation Trust Expense Reserve after payment of the Wind-Down Expenses of the Liquidation Trust and the Debtors and the Reorganized Debtors (the "Ending Expense Reserve Balance"), such excess Cash shall be administered in accordance with the other provisions of this Plan, including as additional distributions to Holders of Beneficial Trust Interests and Holders of Parent Equity Interests; provided, however, that, to the extent that any Cause of Action Net Proceeds have been deposited into the Liquidation Trust Expense Reserve (the "Reinvested Net Proceeds"), forty percent (40%) of the Ending Expense Reserve Balance (but in no event to exceed forty percent (40%) of the aggregate amount of Reinvested Net Proceeds which have been deposited in such account), shall be distributed to the Class Settlement Escrow until the aggregate amount of Cause of Action Net Proceeds and such Reinvested Net Proceeds distributed to the Class Settlement Escrow equals $2,500,000 (*i.e.*, the aggregate maximum amount of the Class Settlement Escrow).

2. Holdback Amount Reserve

On the Effective Date, the Debtors or the Distribution Agent will fund in Cash the Holdback Amount Reserve from the U.S. Sale Proceeds Account in an amount sufficient to Pay in Full the Holdback Amount for Professionals and payment of any additional unpaid amounts asserted or estimated by the Professionals and Alvarez & Marsal North America, LLC as owing to any such firm for fees and expenses accrued prior to the Effective Date that have not yet been paid. To the extent any Cash remains in the Holdback Amount Reserve after payment of the Professionals and Alvarez & Marsal North America, LLC as set forth herein, such excess Cash shall be administered by the Distribution Agent in accordance with the other provisions of this Plan.

3. Reserve Amounts

The Bankruptcy Court and the Canadian Court shall approve the Reserve amounts authorized under this Plan and Plan Supplement in the Confirmation Order and CCAA Approval Order, respectively.

F. No Interest on Allowed Claims; Setoffs

Unless otherwise specified in this Plan or by Final Order, "Allowed Administrative Claim" or "Allowed General Unsecured Claim" shall not, for any purpose under this Plan, include interest on such Administrative Claim or Claim from and after the Petition Date or attorney's fees after the Petition Date.

An Allowed Claim shall be net of any setoff or recoupment amount of any Claim that may be asserted by any Debtor against the Holder of such Claim, which amount shall be deemed setoff or recouped pursuant to this Plan.

G. Prompt Claims Resolution

To ensure the prompt resolution of Claims, objections to all U.S. Claims that are (i) subject to reduction by section 502(b)(7) of the Bankruptcy Code, (ii) amended and superseded Claims, and (iii) duplicate Claims shall be filed by no later than thirty (30) days after the Effective Date, and notices of disallowance shall be served on all Canadian Claims that are subject to reduction by section 502(b)(7) of the Bankruptcy Code by such same date.

Additionally, beginning on the 90th day after the Effective Date and continuing every 90th day thereafter until all U.S. Claims have become Satisfied Claims, Allowed U.S. Claims or U.S. Claims disallowed by a Final Order, the Liquidation Trustee shall file on the Docket and serve on the Holders of all remaining U.S. Claims a progress report discussing its efforts to reconcile and liquidate U.S. Claims taken during the reporting period.

VII. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distribution Agent

Each Distribution Agent shall make the applicable distributions under this Plan tasked to such Distribution Agent. The Distribution Agent shall act at the direction of the Reorganized Parent Debtor, the Monitor or the Liquidation Trustee, as the case may be. On the Effective Date, the Distribution Agent shall have the authority to distribute the Sale Proceeds in accordance with this Plan, and as directed by the Reorganized Parent Debtor, the Monitor or the Liquidation Trustee.

Through the Final Monitor Distribution Date, the Monitor as Distribution Agent shall make the Initial Cash Distributions from the Sale Proceeds required under this Plan and the CCAA Approval Order to Holders of Allowed Secured Claims, Allowed Priority Claims, and Allowed General Unsecured Claims upon receipt of either (a) a Clearance Certificate, (b) Comfort Letters, and/or (c) such other arrangement satisfactory to the Monitor, as applicable. Following the Final Monitor Distribution Date, any Person selected by the Monitor, Reorganized Parent Debtor or the Liquidation Trustee may be designated as the Distribution Agent to make interim and final distributions to Holders of Claims and Parent Equity Interests as permitted hereunder and under the CCAA Approval Order. For the avoidance of doubt, no distribution of Cash from the Sale Proceeds shall be made to Holders of Parent Equity Interests or Holders of Securities Claims until all Allowed Secured Claims, Allowed Priority Claims and Allowed General Unsecured Claims are Paid in Full.

Following the Effective Date, the Reorganized Parent Debtor or the Liquidation Trust, as applicable, shall pay to the Distribution Agent all reasonable and documented fees and expenses of the Distribution Agent without the need for any approvals, authorizations, actions, or consents. The Distribution Agent shall submit detailed invoices to the Reorganized Parent Debtor, the Monitor and the Liquidation Trustee, as applicable, for all fees and expenses for which the Distribution Agent seeks reimbursement and shall be paid those amounts that the Reorganized Parent Debtor, the Monitor and the Liquidation Trustee, in their sole discretion, deem reasonable. In the event that the Reorganized Parent Debtor, the Monitor or Liquidation Trustee, as applicable, object to all or any portion of the amounts requested to be reimbursed in a Distribution Agent's invoice, the Reorganized Parent Debtor, Monitor or Liquidation Trustee, as applicable, and such Distribution Agent shall endeavor, in good faith, to reach mutual agreement on the amount of the appropriate payment of such disputed fees and/or expenses. In the event that the Reorganized Parent Debtor, Monitor or Liquidation Trustee, as applicable, and the

Distribution Agent are unable to resolve any differences regarding disputed fees or expenses, any such party shall be authorized to move to have such dispute heard by the Bankruptcy Court or the Canadian Court, provided however, if the dispute relates to amounts requested to be reimbursed by the Monitor, the dispute shall be heard by the Canadian Court.

B. Delivery of Distributions

Distributions to Holders of Allowed Claims other than the Securities Claims shall be made by the Distribution Agent to the address of the Holder of such Claim as indicated in the Claims Register as of the Distribution Record Date. The Distribution Agent shall have no obligation to recognize the transfer of or sale of any Claim that occurs after the close of business on the Distribution Record Date, and will be entitled for all purposes herein to recognize and distribute only to those Holders of Allowed Claims who are Holders as of the close of business on the Distribution Record Date.

Distributions to Holders of Parent Equity Interests shall be made via a mandatory exchange with CDS and DTC to Holders of Parent Equity Interests at the time the distribution is made, without the establishment of a distribution record date for Parent Equity Interests, except for directly registered holders, who may also receive distributions directly from the Debtors, and also except in the case of Holders of Parent Equity Interests electing Option 1, who shall receive distributions from the Liquidation Trust or other Distribution Agent at the address set forth on their Liquidation Trust Election Form. Any subsequent distributions to Liquidation Trust Beneficiaries shall be made in a similar manner, in the discretion of the Liquidation Trustee, through CDS and DTC and/or directly to such Beneficiaries, at the address listed on such Liquidation Trust Beneficiary's Liquidation Trust Election Form, or at such other address as they later send to the Liquidation Trustee in writing.

C. Timing of Distributions

The Distribution Agent may make one or more interim and final distributions of Cash to Holders of Claims, Parent Equity Interests or Securities Claims in his discretion to the extent permitted hereunder, provided, however that no Cash distributions shall be made to the Holders of Allowed Parent Equity Interests, Holders of Beneficial Trust Interests or Holders of Securities Claims under this Plan until all obligations under this Plan to the Holders of all other Allowed Claims (including Fee Claims) and the Wind-Down Expenses of the Debtors have been Paid in Full in Cash or reserved for pursuant to a Final Order and the Debtors or the Monitor shall have obtained Clearance Certificates permitting such distribution. With respect to Allowed Claims other than Allowed Fee Claims or the Securities Claims, the Distribution Agent shall make distributions of Cash to Holders of such Allowed Claims as follows:

1. On the Initial Distribution Date, Cash to all Holders of Allowed Claims as of the Distribution Record Date.

2. On any Interim Distribution Date, Cash to all Holders of Allowed Claims that have become Allowed after the Initial Distribution Date.

3. On the Final Distribution Date, the balance of all Cash distributions to Holders of Allowed Claims and Allowed Equity Interests (and in the case

of Allowed Equity Interests, subject to the obligation to pay the Class Settlement Litigation Proceeds to the Lead Plaintiff for the benefit of the Securities Claimants pursuant to the terms of the Class Plaintiff Stipulation and this Plan), as applicable and as required under this Plan.

The Distribution Agent shall pay Allowed Fee Claims in accordance with Article III.B of this Plan.

Until the Monitor is in receipt of the Comfort Letters, the Monitor, as Distribution Agent, shall be under no obligation to make any distributions on account of any Allowed Claims. The Distribution Agent shall not make any Cash distributions from the Sale Proceeds on account of Equity Interests and the Securities Claims until receipt of the applicable Clearance Certificates satisfactory to the Distribution Agent and the Debtors.

D. Distributions to Holders of Securities Claims.

1. Class Settlement Escrow

The Distribution Agent shall make all distributions of Class Settlement Cash Consideration or Class Settlement Litigation Proceeds to the Class Settlement Escrow on account of the Securities Claims. The Lead Plaintiff shall have sole responsibility for the distribution and allocation of all funds in the Class Settlement Escrow to the Securities Claimants. None of the Debtors, the Committees, the Monitor or any other estate representative will have any responsibility in respect of the distribution or allocation of such funds to individual members of the Putative Class or to any of the Securities Claimants. Except for the notice required pursuant to the Disclosure Statement Order, none of the Debtors, the Committees, the Monitor or any other estate representative shall have any responsibility for, or duty to, notify individual members of the Putative Class of their right, if any, to receive any such funds. All expenses related to the distribution and allocation of funds in the Class Settlement Escrow shall be borne solely by the Securities Claimants out of the Class Settlement Cash Consideration (and/or the Class Settlement Litigation Proceeds).

2. Timing of Distributions

At such time as the Distribution Agent is authorized under this Plan to make distributions of Sale Proceeds to Holders of Beneficial Trust Interests or Parent Equity Interests in the Reorganized Parent on account of such Holders' Allowed Parent Equity Interests, the Distribution Agent shall, first, pay the full Class Settlement Cash Consideration to the Lead Plaintiff's Counsel on account of the Securities Claims prior to distributing any of such Sale Proceeds to such Holders.

Subject to entry of a Final Order resolving any of the Retained Causes of Action, by settlement or otherwise, the Distribution Agent shall pay in Cash the Class Settlement Litigation Proceeds in accordance with Article IV.B.6 of this Plan promptly after receipt by the Reorganized Parent Debtors or Liquidation Trust of any Cause of Action Net Proceeds.

3. Notice of Distributions.

Notice of the Class Plaintiff Stipulation as approved by the Bankruptcy Court and a distribution protocol for individual members of the Putative Class or the Lead Plaintiff in its individual capacity will be addressed by the District Court and an order of the District Court entered in the Securities Litigation. If the Securities Litigation is dismissed or the Putative Class is not certified by the District Court, then the Lead Plaintiff shall move the Bankruptcy Court to approve further notification procedures and a distribution protocol for individual members of the Putative Class and the Lead Plaintiff in its individual capacity following the Effective Date. All fees and expenses of such distribution process, including any litigation and filings in the District Court and the Bankruptcy Court, shall be borne and paid solely by the Securities Claimants from the Class Settlement Cash Consideration or the Class Settlement Litigation Proceeds.

E. No Distributions on Disputed Claims

Notwithstanding any provision in this Plan to the contrary, no distributions, partial or otherwise, shall be made with respect to a Disputed Claim until all disputes with respect to such Claim are resolved by the Liquidation Trust or the Monitor and the Holder of such Claim by Final Order or settlement. Subject to the provisions of this Plan, after a Disputed Claim becomes an Allowed Claim, the Holder of such an Allowed Claim will receive all distributions to which such Holder is then entitled under this Plan on the Initial Distribution Date, or the next scheduled Interim Distribution Date or Final Distribution Date, as the case may be. No Post-Petition Interest, including no post-Effective Date interest, shall be paid on any distributions under this Plan, including with respect to any Disputed Claim that becomes an Allowed Claim. If a Creditor incorporates more than one Claim in a Proof of Claim then: (a) such Claims will be considered one Claim for purposes of this Plan, and (b) no such Claim will be bifurcated into an Allowed portion and a Disputed portion.

F. Amount of Distributions

Notwithstanding anything to the contrary herein, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a distribution in excess of the Allowed amount of such Claim to the extent payable in accordance with this Plan, even if filed against multiple Debtors.

G. De Minimis Distributions

Notwithstanding anything contained herein to the contrary, no distribution shall be required to be paid if such payment would be less than \$50.00 on any distribution, provided, however, that distributions made through DTC and/or CDS may be made to the nearest cent, with half cents rounding down to zero, even if any such distribution would be less than \$50.00.

H. Undeliverable Distributions

1. Holding of Undeliverable Distributions

If any distribution to a Holder of an Allowed Claim (other than the Securities Claims), Parent Equity Interest or Liquidation Trust Beneficial Interest is returned as undeliverable, no further distributions must be made to such Holder unless and until the Monitor, Liquidation Trustee or Distribution Agent, as applicable, is notified in writing of such Holder's then-current address or other necessary information for delivery, at which time all currently due missed distributions shall be made to such Holder as soon as practicable, subject to Article VII.H.2 below. Undeliverable Distributions shall remain in the possession of the Monitor or Liquidation Trustee, as applicable, until such time as a distribution becomes deliverable, and shall not be supplemented with any interest, dividends or other accruals of any kind.

2. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim (other than the Securities Claims), Parent Equity Interest or Liquidation Trust Beneficial Interest that does not assert its right pursuant to this Plan for an Undeliverable Distribution within ninety (90) days after the distribution is distributed shall be deemed to have waived, and shall be forever barred from asserting, its rights for such Undeliverable Distribution, notwithstanding any applicable federal, state or Canadian escheat, abandoned or unclaimed property laws to the contrary. Nothing contained in this Plan shall require the Debtors, the Monitor, the Liquidation Trustee/Liquidation Trust, or a Distribution Agent to attempt to locate any Holder of an Allowed Claim, Parent Equity Interest or Liquidation Trust Beneficial Interest.

I. Distributions on Non-Business Days

Any payment or distribution due on a day other than a Business Day shall be made, without interest, on the next Business Day.

J. Tax Withholding From Distributions

Any amounts required by law to be withheld from distributions made under this Plan (including, but not limited to, from Shareholder Distributable Assets and/or Liquidation Trust Assets but excluding the Class Settlement Cash Consideration and the Class Settlement Litigation Proceeds) shall be withheld. Any amounts so withheld from any payment made under this Plan shall be deemed paid to the Holder of the Allowed Claim, Securities Claim or Parent Equity Interest subject to withholding. Notwithstanding the above, each Holder of an Allowed Claim, Securities Claim or Parent Equity Interest that is to receive a distribution under this Plan or from the Liquidation Trust shall have the sole and exclusive responsibility for the satisfaction and payment of any taxes imposed on such Holder by any Governmental Unit on account of such distribution, except for taxes withheld from payments made under this Plan. Each Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent, as applicable, has the right, but not the obligation, not to make a distribution until such Holder has made arrangements satisfactory to the Debtor, the Liquidation Trustee, the Monitor or Distribution Agent for payment of any withholding tax obligations. Each Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent has no liability hereunder to any party, including any Governmental Unit, for incorrectly calculating amounts to be withheld, if any. If any Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent fails to withhold with respect to any such Holder's distribution, it shall have no liability for such failure to withhold to any party, including any Governmental Unit, and the Holder shall reimburse the Debtor, the Liquidation Trust, the Monitor or other Distribution Agent, as applicable. Notwithstanding any provision in this Plan to the contrary, any Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under this Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms it believes are reasonable and appropriate. Any Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent may require, as a condition to the receipt of a distribution, that the Holder furnish the appropriate tax documentation, including Form W-8 or Form W-9, as applicable to each Holder. If the Holder fails to comply with such a request within three (3) months, such distribution shall be deemed an Undeliverable Distribution. Finally, any Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent reserves the right to allocate all distributions made under this Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances, if any. After the Effective Date, certain Beneficial Trust Interests may be held in a depository, such as DTC or CDS. Distributions, if any, to be made by the Liquidation Trust in respect of Liquidation Trust Assets may be made through DTC and/or CDS; however, the Liquidation Trustee may elect to process distributions, if any, in a different manner as the Liquidation Trustee determines is necessary or appropriate in accordance with applicable laws. Without limitation of the generality of the foregoing, the Liquidation Trustee may condition any distribution it may make to a Holder of Beneficial Trust Interests in respect of the Liquidation Trust Assets on the Liquidation Trustee's receipt of such information and documentation as the Liquidation Trustee determines in its sole discretion is necessary to effect a distribution in accordance with applicable law, including tax law, and withhold a distribution to any Holder who fails to provide such documentation and information.

K. Allocations

Unless otherwise provided in this Plan, distributions in respect of Allowed Claims other than Securities Claims shall be allocated first to the principal amount (as determined for U.S. federal income tax purposes) of such Allowed Claims, and then, to the extent the distribution exceeds the principal amount of such Allowed Claims, to any portion of such Allowed Claims for accrued but unpaid interest; provided however, that no Post-Petition Interest on account of General Unsecured Claims shall be Allowed or paid under this Plan.

L. Time Bar to Cash Payments

Checks issued on account of Allowed Claims (other than the Securities Claims), Parent Equity Interests and Beneficial Trust Interests may be deemed null and void if not negotiated within one hundred and eighty (180) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing directly to the Liquidation Trust, Monitor or any other Distribution Agent, as applicable, by the Holder of the Allowed Claim, Securities Claim or Parent Equity Interest with respect to which such check originally was issued. Any request in respect of such a voided check shall be made in writing on or before the later of one hundred and eighty (180) days after the Effective Date or one hundred and eighty (180) days after the date of issuance of such check. After such date, all rights in respect of void checks shall be forever barred and the distribution on account of such Claims and Parent Equity Interests shall be treated in accordance with Article VII.H of this Plan.

M. Means of Cash Payments

Any Cash payment to be made pursuant to this Plan will be made in U.S. dollars by checks drawn on or by wire transfer from a domestic bank selected by the applicable Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent, as applicable, provided, however, that any Debtor, the Liquidation Trustee, the Monitor or any Distribution Agent shall make Cash payment on any Claim filed against such Debtor in Canadian Dollars in Canadian Dollars. All Cash payments made pursuant to the Class Settlement shall be made via wire transfer of immediately available funds to the Class Settlement Escrow.

N. Foreign Currency Exchange Rates

As of the Effective Date, any Claim asserted in currency(ies) other than U.S. dollars or Canadian Dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the mid-range spot rate of exchange for the applicable currency as published in *The Wall Street Journal*, National Edition, on the Petition Date. For greater certainty, the exchange rate does not apply to any Claims filed in Canadian Dollars that are paid in Canadian Dollars.

O. Setoffs

Any Debtor, the Monitor, the Liquidation Trustee or any Distribution Agent, as applicable, may, pursuant to section 558 of the Bankruptcy Code and applicable Canadian or non-bankruptcy law, set off against any Allowed Claim, the distributions to be made pursuant to this Plan on account of such Claim (before any distribution is made on account of such Claim), the claims, rights and Causes of Action of any nature that the Debtors or Liquidation Trust, as applicable, may hold against the Holder of such Allowed Claim; provided, however, that neither the failure to effect such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release of any such claims, rights and Causes of Action that the Debtors or the Liquidation Trust may possess against such Holder.

P. Satisfied Claims and Claims Paid or Payable by Third Parties

Any Administrative Claim or Claim that has been paid or satisfied in full or in part by any party may be adjusted on the Claims Register without a claims objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court, provided that the Liquidation Trustee shall file a notice of satisfaction or other pleading evidencing such satisfactions as are made by the Purchaser or any other party other than a Debtor or the Monitor, or seek an order of the Bankruptcy Court with respect to the same, all in the Liquidation Trustee 's reasonable discretion. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor, the Monitor or a Distribution Agent, as applicable, on account of such Claim, such Holder shall repay, return or deliver any distribution held by or transferred to the Holder to the Monitor to the extent the Holder's total recovery on account of such Claim from the third party and under this Plan exceeds the total Allowed Claim of such Holder as of the date of any such distribution under this Plan. For the avoidance of doubt, prior to the making of distributions hereunder, Claims shall be reduced by the amount, if any, that was (i) paid by one or more of the Debtors pursuant to an order of the Bankruptcy Court or the Canadian Court, (ii) paid or otherwise assumed by the Purchaser in accordance with the Purchase Agreement, or (iii) otherwise satisfied by any third party; provided, however, that to the extent payment on a Claim that could be satisfied by a third party is still made, then, as permitted under applicable law, the Estates shall be subrogated to any such otherwise Satisfied Claims to recover amounts that could have been used for satisfaction of such Claim.

No distributions under this Plan shall be made on account of an Allowed Claim other than the Securities Claims that is payable pursuant to one of the Debtors' or the Liquidation Trust's insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy, except as required under any such insurance policy with respect to a deductible or retention. To the extent that one or more of the insurers agrees to satisfy a Claim should liability ultimately arise on such Claim, then immediately upon such insurers' agreement, such Claim shall be deemed Paid in Full under this Plan.

VIII. TREATMENT OF EXECUTORY CONTRACTS

A. Treatment of Executory Contracts

Except as otherwise expressly provided in Article VIII.B of this Plan, all Executory Contracts of the U.S. Debtors that have not been assumed or assumed and assigned by the Debtors as of the Confirmation Date shall be deemed rejected as of the Effective Date in accordance with, and subject to the provisions and requirements of, sections 365 and 1123 of the Bankruptcy Code.

All Executory Contracts of the Canadian Debtors that have not been assumed or assigned by the Debtors as of the Confirmation Date shall be rejected prior to or after the Effective Date in accordance with section 32 of the CCAA in the CCAA Proceedings.

B. Insurance Policies

Notwithstanding anything to the contrary in this Plan or Confirmation Order, unless any insurance policies have been expressly rejected pursuant to a separate order of the Bankruptcy Court (or through the Confirmation Order), any insurance policies of the Debtors in which the Debtors are or were insured parties (including any policies covering directors' or officers' conduct), or any related insurance agreement issued prior to the Petition Date, shall continue in effect after the Effective Date pursuant to the respective terms and conditions and shall be treated as if assumed. All rights of the Debtors under any insurance policies shall automatically become vested in the Liquidation Trust and the Reorganized Parent Debtor without necessity for further approvals or orders. To the extent that any insurance policies or related insurance agreements are deemed executory contracts, then, unless such policies have been rejected pursuant to a separate order of the Bankruptcy Court or the Canadian Court (or through the Confirmation Order), notwithstanding anything to the contrary in this Plan, this Plan shall constitute a motion to assume, assume and assign, permit "ride through," or ratify such insurance policies or insurance agreements. Subject to the occurrence of the Effective Date, the entry of the Confirmation Order shall constitute both approval of such assumption pursuant to section 365 of the Bankruptcy Code and a finding by the Bankruptcy Court or the Canadian Court that such assumption is in the best interests of the Estates. Unless otherwise determined by the Bankruptcy Court or the Canadian Court pursuant to a Final Order or agreed upon by the parties prior to the Effective Date, no payments shall be required to cure any defaults of the Debtors existing as of the Confirmation Date with respect to any insurance policy or insurance agreement assumed, or assumed and assigned, pursuant to this Section. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to these Chapter 11 Cases, this Plan or any provision within this Plan, including the treatment or means of liquidation set out within this Plan for any insured Claims or Retained Causes of Action. Without limiting the generality of the foregoing, all directors' and officers' liability insurance policies in effect as of the Confirmation Date shall be deemed assumed and shall not be rejected.

C. Effect of Confirmation Order on Rejection of Executory Contracts

Other than as provided in Article VIII.B of this Plan, entry of the Confirmation Order shall constitute an order of the Bankruptcy Court pursuant to sections 365 and 1123(b) of the Bankruptcy Code approving the rejection of the Executory Contracts of the U.S. Debtors as of the Effective Date and determining that with respect to such rejections, such rejected Executory Contracts are burdensome and that the rejection is in the best interests of the Estates.

D. Rejection Damages Claims and Objections to Rejection

Claims arising out of the rejection of any Executory Contract pursuant to this Plan must be filed and served no later than thirty (30) days after the Effective Date. Holders of any Claim not filed within such time will be forever barred from asserting such Claim against the Liquidation Trust, the Monitor, the Debtors or their Estates, or their respective successors or assigns or their respective property. Unless otherwise ordered by the Bankruptcy Court or the Canadian Court or specified in this Plan, all Claims arising from the rejection of Executory Contracts under this Plan shall be treated as General Unsecured Claims under this Plan.

E. Preexisting Obligations Under Executory Contracts

The Debtors and the Liquidation Trust reserve the right to assert that rejection of any Executory Contract pursuant to this Plan, the CCAA or otherwise shall not constitute a termination of obligations owed to the Debtors and/or the Liquidation Trust, as applicable, under such contracts, including on the grounds that such Executory Contract was, in fact, not executory and such obligations owed to the Debtors "rode through" the Chapter 11 Cases. Notwithstanding any non-bankruptcy law to the contrary, the Debtors and the Liquidation Trust expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased, or services previously received, or insurance obligations, by or for the benefit of the contracting Debtors or the Liquidation Trust, as applicable, from counterparties to rejected Executory Contracts.

F. Reservation of Rights

Nothing contained in this Plan, shall constitute an admission by the Debtors or the Liquidation Trust, as applicable, that any contract is in fact an Executory Contract, or that the Debtors or Liquidation Trust, as applicable, have any liability thereunder. In the event of a dispute regarding whether a contract is or was executory at the time of assumption or rejection, the Debtors or Liquidation Trust, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter the treatment of such contract.

IX. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THIS PLAN

A. Conditions Precedent to Confirmation

It shall be a condition to Confirmation of this Plan that:

1. the Disclosure Statement Order shall have been entered by the Bankruptcy Court on the Docket of the Chapter 11 Cases, in form and substance acceptable to the Debtors, the Monitor, Creditors' Committee and Equity Committee, and such order shall not be subject to a stay;

2. The Canadian Court shall have issued an Order in form and substance satisfactory to the Debtors, the Monitor and the Committees confirming the steps to be taken by the Debtors in the CCAA Proceedings, including seeking approval of the CCAA Approval Order (the "Initial CCAA Approval Order"); and

3. the Plan Supplement shall have been filed with the documents contemplated by this Plan, and the documents comprising the Plan Supplement shall have been approved by the Confirmation Order.

B. Conditions Precedent to the Effective Date

It shall be a condition to occurrence of the Effective Date that the following conditions shall have been satisfied or waived pursuant to Article IX.D of this Plan:

1. the Plan shall have been Confirmed and all conditions precedent to Confirmation shall have been satisfied or waived;

2. the Bankruptcy Court shall have entered on the Docket the Confirmation Order (and such order shall not be subject to a stay) in form and substance acceptable to the Debtors, the Committees and the Monitor, approving this Plan and providing for establishment of the Reserves, the payment of Allowed Claims and Equity Interests as set forth in this Plan and approving the Global Settlement and the Class Settlement;

3. the Class Plaintiff Stipulation shall have been approved by the Bankruptcy Court in form and substance satisfactory to the Debtors, the Monitor, the Committees and the Lead Plaintiff, the Putative Class Claim shall have been certified in accordance with the Class Plaintiff Stipulation and Rule 23 of the Federal Rules of Civil Procedure and Bankruptcy Rule 7023 and the Canadian Court shall have issued an order in form and substance acceptable to the Debtors, Committees, the Monitor and the

Lead Plaintiff that shall provide, among other things: (a) for the recognition of the Class Plaintiff Stipulation; and (b) that the Class Plaintiff Stipulation is binding on all Securities Claimants;

4. the Canadian Court shall have issued the CCAA Approval Order in form and substance acceptable to the Debtors, Equity Committee, the Creditors' Committee and the Monitor, and such order shall not be subject to a stay;

5. the Courts shall have approved the formation of the Liquidation Trust and the appointment of the Liquidation Trustee as the Litigation Representative for the Debtors and the Liquidation Trust with all of the rights, powers, privileges and authority described in Article V.E.12 of this Plan by appropriate orders of the Canadian Court and the Bankruptcy Court;

6. all Reserves shall have been funded in Cash;

7. all other actions and documents necessary to implement the provisions of this Plan to be effectuated on or before the Effective Date shall be reasonably satisfactory to the Debtors, the Monitor, the Creditors' Committee and the Equity Committee;

8. the Debtors shall have received all authorizations, consents, approvals, rulings, letters, opinions or documents, if any, necessary to implement this Plan; and

9. each Debtor's Plan shall have become effective.

C. Effect of Non-Occurrence of Conditions to Confirmation or Conditions Precedent to the Effective Date

If the conditions in Article IX.A and IX.B of this Plan are not satisfied or waived, as applicable, or if the Confirmation Order or CCAA Approval Order is vacated, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors; or (b) constitute an admission, acknowledgment, offer or undertaking by the Debtors or any other Person in any respect.

D. Waiver of Conditions Precedent

The Debtors, with written consent of the Monitor and each of the Committees, may waive any of the conditions precedent set forth in Article IX.A and Article IX.B of this Plan, other than IX.A.1, IX.B.1, IX.B.2 and IX.B.4 in whole or in part at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than proceeding to confirm and/or consummate this Plan; provided however that the Debtors may only waive IX.B.3 with the written consent of the Class Settlement Parties and the Monitor.

X. EFFECT OF CONFIRMATION OF THIS PLAN

A. Certain Releases by the Debtors

Notwithstanding anything contained in the Plan to the contrary, as of the Effective Date, and to the fullest extent authorized by applicable law, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtor Releasees are deemed released and discharged by the Liquidation Trust, the Debtors and the Estates, from any and all claims, obligations, suits, judgments, damages, demands, debts, remedies, Causes of Action, rights of setoff, other rights, and liabilities whatsoever, including any derivative claims, asserted or that could be asserted directly or indirectly on behalf of the Liquidation Trust, the Debtors, or the Estates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, and any and all Causes of Action asserted or that could possibly have been asserted on behalf of the Liquidation Trust, the Debtors, or the Estates (whether individually or collectively) based on, relating to or arising from, in whole or in part, the Debtors, the Estates or the Debtors' subsidiaries, the conduct of the Debtors' businesses, the out-of-court efforts to restructure or liquidate the Debtors, the filing and prosecution of the Chapter 11 Cases or the CCAA Proceedings, the prepetition contracts and agreements with any Debtor or any Estate, all to the extent such acts or occurrence took place prior to the Petition Date (collectively, the "<u>Released Liabilities</u>").

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases set forth in this Article X.A, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that such release is: (a) in exchange for the good and valuable consideration provided by the Debtor Releasees; (b) a good faith settlement and compromise of the claims released by this Article X.A; (c) in the best interests of the Debtors and their Estates; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any Person asserting any claim or Cause of Action released by this Article X.A.

B. Certain Releases by Holders of Claims

Notwithstanding anything contained in this Plan or the Disclosure Statement to the contrary, as of the Effective Date, the Third-Party Releasees shall be deemed to have been conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by the Releasing Parties from any and all claims, obligations, suits, judgments, damages, demands, debts, remedies, Causes of Action, rights of setoff, other rights, and liabilities whatsoever, whether for tort, contract, violations of federal, provincial or state securities laws, Avoidance Actions, including any derivative claims, asserted or that could possibly have been asserted directly or indirectly on behalf of the Releasing Parties or their Affiliates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, and any and all Causes of Action asserted or that could possibly have been asserted on behalf of the Releasing Parties or their Affiliates (whether individually or collectively) or on behalf of the Holder of any Claim, based on or in any way relating to, or

in any manner arising from, in whole or in part, the Liquidation Trust, the Debtors, the Debtors' Estates or the Debtors' subsidiaries, the conduct of the Debtors' businesses, the in-court or out-of-court efforts to restructure or liquidate the Debtors, the formulation, preparation, solicitation, dissemination, negotiation, or filing of the Disclosure Statement or this Plan (including the Plan Supplement), or any contract, instrument, release, or other agreement or document created or entered into in connection with or pursuant to the Disclosure Statement, this Plan (including the Plan Supplement), the filing and prosecution of the Chapter 11 Cases or the CCAA Proceedings, the pursuit of Confirmation, the pursuit of Consummation, the subject matter of, or the transactions or events giving rise to, any Claim that is treated in this Plan, the business or contractual arrangements between the Liquidation Trust, the Debtors, the Debtors' Estates or the Debtors' subsidiaries, on the one hand, and any Releasing Parties, on the other hand, prepetition contracts and agreements with any Debtor, or any other act or omission, transaction, agreement, event, or other occurrence taking place before the Effective Date, except in case of fraud, willful misconduct, or gross negligence by a Third-Party Releasee as determined by a Final Order of the Bankruptcy Court or the Canadian Court.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the releases set forth in this Article X.B, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that such release is: (a) in exchange for the good and valuable consideration provided by the Third-Party Releasees; (b) a good faith settlement and compromise of the claims released by this Article X.B; (c) in the best interests of the Debtors and their Estates; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any Person asserting any claim or Cause of Action released by this Article X.B.

For the avoidance of doubt, notwithstanding anything to the contrary contained in the Disclosure Statement, Plan or Confirmation Order, no provision shall preclude the SEC or OSC from enforcing their police or regulatory powers; and provided further, notwithstanding any language to the contrary contained in the Disclosure Statement, Plan or Confirmation Order, no provision (i) releases any Person or Entity from liability in connection with any legal action or claim brought by the SEC or OSC or (ii) enjoins, limits, impairs, or delays the SEC or OSC from bringing or continuing any action against any Person or Entity in any forum.

C. Exculpation

Effective as of the Effective Date, none of the Exculpated Parties shall have or incur any liability to any Holder of any Claim or Equity Interest, the Debtors' Estates or any successor thereto, or any other party (including any Affiliate of any of the foregoing) for, or be subject to any right of action in respect of, any act or omission on or after the Petition Date and on or before the Effective Date in connection with, related to, or arising out of the Chapter 11 Cases or the CCAA Proceedings, including the formulation, negotiation and execution of the Purchase Agreement, the sale of the Debtors' assets pursuant to the Purchase Agreement, obtaining debtor-in-possession financing in connection with the Chapter 11 Cases and the CCAA Proceedings, the formulation,

negotiation and execution of this Plan (including the Plan Supplement), the Disclosure Statement, the solicitation of votes for and the pursuit of confirmation of this Plan, the Consummation of this Plan, or the administration of this Plan, and the property to be distributed under this Plan, including all documents ancillary thereto, all decisions, actions, inactions and alleged negligence or misconduct relating thereto and all postpetition activities leading to the promulgation and Confirmation of this Plan (including any other post-petition act taken or omitted to be taken in connection with or in contemplation of the restructuring or liquidation of the Debtors), except in case of fraud, willful misconduct, or gross negligence by such Exculpated Party as determined by a Final Order of the Bankruptcy Court or the Canadian Court (the foregoing, the "Exculpated Actions"). Effective as of the Effective Date, no Person (including the Liquidation Trustee) shall have any right of action, either direct or derivative of the Estates, against the Exculpated Parties for any Exculpated Actions, provided, however, that notwithstanding anything to the contrary in this Plan, the exculpation of the Debtors' directors are subject to section 5.1(2) of the CCAA.

D. Injunction

Upon the occurrence of the Effective Date, all Holders of Claims and Equity Interests and other parties in interest, along with their respective present or former affiliates, employees, agents, attorneys, advisors, officers, directors, partners or principals, to the extent consistent with this Plan, shall be enjoined from taking any actions to interfere with the implementation of this Plan, and are permanently enjoined and forever barred from taking any action against the Exculpated Parties, Debtor Releasees or Third-Party Releasees, and their respective assets, that is inconsistent with the terms of this Plan, including an injunction from (a) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any Claims or Equity Interests; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order on account of or in connection with or with respect to any such Claims or Equity Interests; (c) creating, perfecting, or enforcing any encumbrance of any kind on account of or in connection with or with respect to any such Claims or Equity Interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind on account of or in connection with or with respect to any such Claims or Equity Interests; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Equity Interests released, exculpated, settled or otherwise addressed pursuant to this Plan, except on terms consistent with this Plan.

E. Preservation of Causes of Action

1. Vesting of Retained Causes of Action

Except as otherwise provided in this Plan or Confirmation Order, in accordance with section 1123(b)(3) of the Bankruptcy Code, any Retained Causes of Action that the Debtors or the Estates may hold against any Entity shall vest jointly in the Reorganized Debtors and the Liquidation Trust on the Effective Date in accordance with this Plan and the CCAA Approval Order.

Except as otherwise provided in this Plan or Confirmation Order, from and after the Effective Date, the Liquidation Trustee, as the Litigation Representative on behalf of the Liquidation Trust and the Reorganized Debtors, shall have the right to institute, prosecute, abandon, settle, compromise, or otherwise liquidate any Retained Causes of Action, in accordance with the terms of this Plan and/or Liquidation Trust Agreement, as applicable, and without further order of the Bankruptcy Court, in any court or other tribunal, including in an adversary proceeding filed in one or more of the Chapter 11 Cases, or an action filed in any other court of competent jurisdiction.

2. Preservation of all Retained Causes of Action Not Expressly Settled or Exculpated

Unless a Retained Cause of Action against a Person or Entity is expressly waived, relinquished, compromised, or settled in this Plan or any Final Order (including the Confirmation Order, the CCAA Approval Order or the Sale Orders), the Debtors and Liquidation Trust expressly reserve such Retained Causes of Action for later adjudication by the Liquidation Trust and the Debtors (including Retained Causes of Action not specifically identified or described herein or elsewhere, or Retained Causes of Action of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time, or facts or circumstances which may change or be different from those the Debtors now believe to exist). Therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable, or otherwise) or laches shall apply to any such Retained Causes of Action upon or after the entry of the Confirmation Order, issuance of the CCAA Approval Order or Effective Date, except where such Retained Causes of Action have been expressly released or exculpated under this Plan, the Confirmation Order, or any other Final Order. In addition, the Liquidation Trust and the Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which the Debtors are a defendant or an interested party, against any Entity, including the plaintiffs or co-defendants in such lawsuits, and all such rights are hereby expressly preserved.

F. Protection Against Discriminatory Treatment

In accordance with section 525 of the Bankruptcy Code, and consistent with paragraph 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against the Liquidation Trust or any Debtor, as applicable, or any Person with which the Liquidation Trust or any Debtor has been, is, or becomes associated, solely because any of the Debtors was a debtor under chapter 11, may have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases) or has not paid a debt except in accordance with this Plan in the Chapter 11 Cases.

G. Release of Liens

Except as otherwise provided herein or in the Confirmation Order, on the Effective Date all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Debtors, if any, shall be fully released and settled as set forth herein; provided, however, the CCAA Charges shall be released and discharged in the manner provided for in the CCAA Approval Order.

XI. MODIFICATION, REVOCATION OR WITHDRAWAL OF THIS PLAN

A. Modifications of the Plan

After entry of the Confirmation Order, the Debtors, with the consent of the Committees and the Monitor (which consent shall not be unreasonably withheld), may amend or modify this Plan in accordance with section 1127(b) of the Bankruptcy Code to remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan.

Entry of the Confirmation Order shall mean that all modifications or amendments to this Plan approved therein occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

B. Revocation or Withdrawal of the Plan

The Debtors, after consultation with the Monitor, Creditors' Committee and Equity Committee, reserve the right to revoke or withdraw this Plan before the later of the Confirmation Date and the CCAA Approval Order Date, and to file subsequent chapter 11 plans for any reason. If the Debtors revoke or withdraw this Plan, or if Confirmation or Consummation does not occur with respect to this Plan, then: (a) this Plan will be null and void in all respects; (b) any settlement or compromise embodied in this Plan (including the Global Settlement), assumption or rejection of Executory Contracts effected by this Plan, and any document or agreement executed pursuant thereto shall be null and void in all respects; and (c) nothing contained in this Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors; or (ii) constitute an admission, acknowledgment, offer or undertaking by the Debtors or any other Person in any respects.

XII. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Canadian Court shall retain the broadest jurisdiction over the CCAA Proceedings and the Bankruptcy Court shall retain the broadest jurisdiction over the Chapter 11 Cases after the Effective Date as legally permissible, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim against a Debtor or any Securities Law Claim (other than the Securities Claims or any other Claims that are Allowed pursuant to this Plan), including the resolution of any and all objections to the allowance or priority of such Claims and the resolution of any request for payment of any Administrative Claim;

2. grant or deny any applications for allowance of compensation or reimbursement

of expenses authorized pursuant to the Bankruptcy Code or this Plan, for periods ending on or before the Effective Date;

3. resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract (including Cure Costs);

4. ensure that distributions to Holders of Allowed Claims, the Securities Claims and Equity Interests are accomplished pursuant to the provisions of this Plan and CCAA Approval Order, as applicable;

5. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving the Debtors that may be pending before the Bankruptcy Court or CCAA Court on the Effective Date;

6. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and CCAA Approval Order and all contracts, instruments, releases, and other agreements or documents created in connection with this Plan or CCAA Approval Order;

7. decide or resolve any Retained Causes of Action arising under the Bankruptcy Code, including, without limitation, Avoidance Actions and Claims under sections 362, 510, 542 and 543 of the Bankruptcy Code, and to hear and determine any requests made by the Reorganized Parent Debtor and the Liquidation Trust under Bankruptcy Rule 2004 or in respect to any Privileges and as authorized pursuant to this Plan, in connection therewith;

8. resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of this Plan, or any Person's obligations incurred in connection with this Plan, including, without limitation, any aspect of Asset Apportionment and any matter pertaining to Plan integration with the CCAA Approval Order;

9. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person with Consummation or enforcement of this Plan;

10. resolve any cases, controversies, suits or disputes with respect to the releases, exculpation, injunction and other provisions contained in Article X of this Plan and enter such further orders as may be necessary or appropriate to implement such releases, injunction and other provisions;

11. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

12. determine any other matters that may arise in connection with or relate to this Plan, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with this Plan;

13. enter order(s) and/or Final Decree(s) concluding the Chapter 11 Cases;

14. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

15. hear and determine any matters involving the Liquidation Trust;

16. consider any modifications of this Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order; and

17. hear any other matter not inconsistent with the Bankruptcy Code or CCAA;

provided, however, that neither this Court nor the Canadian Court shall have jurisdiction over (i) the distribution of funds from the Class Settlement Escrow except as expressly provided herein and in the Class Plaintiff Stipulation or (ii) the Securities Litigation.

XIII. MISCELLANEOUS PROVISIONS

A. Corporate Action

Upon the Effective Date, all actions contemplated by this Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims or Equity Interests, directors, or officers of the Debtors or any other Person, as applicable, including: (a) the execution and delivery of all appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution or liquidation containing terms that are consistent with the terms of this Plan, and that satisfy the requirements of any other terms on which the applicable parties may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt or obligation on terms consistent with the terms of this Plan and having other terms on which the applicable parties may agree; (c) rejection or assumption, as applicable, of Executory Contracts; (d) the filing of appropriate certificates or articles of incorporation, amendment (including such amendments to the articles of the Reorganized Parent Debtor as may be necessary to make its Equity Interests non-transferable), or organization, reincorporation, merger, amalgamation, consolidation, conversion or dissolution, and bylaws reflecting the corporate governance changes and dissolutions contemplated by this Plan or as are otherwise appropriate to effectuate the intent of this Plan; and (e) all other actions that the Monitor, Debtors, Chief Wind-Down Officer or Liquidation Trustee determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law. All matters provided for in this Plan involving the corporate structure of the Debtors, and any corporate action required by the Debtors in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the shareholders, directors, authorized persons or officers of the Debtors. The authorizations and approvals contemplated by this Article XIII shall be effective notwithstanding any requirements under non-bankruptcy law.

B. Dissolution of the Committees

On the Effective Date, the Creditors' Committee and the Equity Committee shall each dissolve and all members, employees or agents thereof shall be released and discharged from all rights and duties arising from or related to the Chapter 11 Cases, other than the right to prepare, file, prosecute and object to Fee Claims. The Debtors shall not be responsible for paying any fees or expenses incurred by the members of or advisors to either the Creditors' Committee or the Equity Committee after the Effective Date, except for work preparing, filing, prosecuting and objecting to Fee Claims that would have also been compensable prior to the Effective Date.

C. Section 1146(a) Exemption

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property under this Plan shall not be subject to any stamp tax or similar tax. Upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment.

D. Successors and Assigns

The rights, benefits and obligations of any Person named or referred to in this Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, agent, representative, attorney, beneficiaries, or guardian, if any, of each Person, including those of the Debtors.

E. Notices

Except as otherwise set forth in this Plan, all notices or requests in connection with this Plan shall be in writing and will be deemed to have been given when received by personal delivery, facsimile, e-mail, overnight courier or first class mail and addressed to:

If to a Debtor before the Effective Date of a Debtor's Plan	Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas, New York, New York 10019 Attn: Kelley A. Cornish Alice Belisle Eaton and 2001 K Street, NW Washington, DC 20006-1047 Attn: Claudia R. Tobler

with a copy to:

Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Attn: Pauline K. Morgan
Sean T. Greecher
Justin H. Rucki

If to the Creditors' Committee

Blank Rome LLP
1201 Market Street, Suite 800
Wilmington, Delaware 19801
Attn: Stanley B. Tarr
Josef W. Mintz

and

One Logan Square
130 North 18th Street
Philadelphia, PA 19103-6998
Attn: Michael B. Schaedle

If to the Equity Committee

Brown Rudnick LLP
Seven Times Square
New York, New York 10036
Attn: Robert J. Stark
Andrew M. Carty

and

One Financial Center
Boston, MA 02111
Attn: Steven B. Levine

with a copy to:

Montgomery McCracken Walker & Rhoads LLP
1105 North Market Street, 15th Floor
Wilmington, Delaware 19801
Attn: Natalie D. Ramsey
Mark A. Fink

If to the Monitor

Ernst & Young Inc.
100 Adelaide Street West
Toronto, ON M5H 0B3
Attn: Brian Denega

with a copy to:

Thornton Grout Finnigan LLP
100 Wellington Street West, Suite 3200
Toronto, Ontario M5Ks1K7
Attn: Robert Thornton
Rachel Bengino

If to the Lead Plaintiff

Lowenstein Sandler LLP
One Lowenstein Drive
Roseland, New Jersey 07068
Attn: Michael S. Etkin
Andrew Behlmann

F. Term of Injunctions or Stay

Unless otherwise provided in this Plan, the Confirmation Order, or a separate order from the Bankruptcy Court, all injunctions or stays arising under or entered during the Chapter 11 Cases in accordance with sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date shall remain in full force and effect until the later of (i) the entry of a final decree closing the last of the Chapter 11 Cases or (ii) the date indicated in such applicable order. All injunctions or stays contained in this Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms. Any stay of proceedings as provided in the CCAA Proceedings similarly is expected to continue after the Effective Date, as specifically provided for in the CCAA Approval Order.

G. Entire Agreement

Except as otherwise indicated, this Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan. To the extent the Confirmation Order or CCAA Approval Order are inconsistent with this Plan, the Confirmation Order and CCAA Approval Order, as applicable, shall control for all purposes.

H. Good Faith

Confirmation of this Plan shall constitute a finding that: (i) this Plan has been proposed in good faith and in compliance with applicable provisions of the Bankruptcy Code; and (ii) the solicitation of acceptances or rejections of this Plan by all Persons has been in good faith and in compliance with applicable provisions of the Bankruptcy Code.

I. Severability

If, prior to the entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court, at the request of the Debtors, after consultation with the Creditors' Committee, the Equity Committee and the Monitor, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms; (b) integral to this Plan; and (c) non-severable and mutually dependent.

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Dated: Wilmington, Delaware
November 2, 2017

Respectfully submitted,

OLD BPSUSH INC., <u>et</u> <u>al.</u>

____
Brian J. Fox
Chief Restructuring Officer

EXHIBIT A

Old BPSUSH Inc. (f/k/a BPS US Holdings Inc.)
Old BH Inc. (f/k/a Bauer Hockey, Inc.)
Old EBS Inc. (f/k/a Easton Baseball / Softball Inc.)
Old BHR Inc. (f/k/a Bauer Hockey Retail Inc.)
Old BPSU Inc. (f/k/a Bauer Performance Sports Uniforms Inc.)
Old PLG Inc. (f/k/a Performance Lacrosse Group Inc.)
Old BPSCI Inc. (f/k/a BPS Diamond Sports Inc.)
Old PSGI Inc. (f/k/a PSG Innovation Inc.)
Old BHR Wind-down Corp. (f/k/a Bauer Hockey Retail Corp.)
Old EBS Wind-down Corp. (f/k/a Easton Baseball / Softball Corp.)
Old PSGI Wind-down Corp. (f/k/a PSG Innovation Corp.)
Old BPSDS Wind-down Corp. (f/k/a BPS Diamond Sports Corp.)
Old BPSU Wind-down Corp. (f/k/a Bauer Performance Sports Uniforms Corp.)
Old PLG Wind-down Corp. (f/k/a Performance Lacrosse Group Corp.)
Old PSG Wind-down Ltd. (f/k/a Performance Sports Group Ltd., and also representing the estates of the Debtors formerly known as KBAU Holdings Canada Inc., Bauer Hockey Corp., and BPS Canada Intermediate Corp., respectively)

EXHIBIT B

Class Plaintiff Stipulation

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
OLD BPSUSH INC., *et al.*,[1]	Case No. 16-12373 (KJC)
Debtors.	(Jointly Administered)

STIPULATION RESOLVING SECURITIES CLAIMS, OBJECTIONS THERETO, LEAD PLAINTIFF'S POTENTIAL PLAN CONFIRMATION OBJECTIONS, AND CROSS MOTION TO APPLY BANKRUPTCY RULE 7023 TO PUTATIVE CLASS CLAIM

The above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), the statutory committee of holders of equity security interests in the Debtors (the "Equity Committee"), and the Plumbers & Pipefitters National Pension Fund, the court-appointed lead plaintiff (in such capacity, the "Lead Plaintiff" and together with the Debtors and the Equity Committee, the "Parties") in the securities class action entitled *Nieves v. Performance Sports Group Ltd., et al.*, Case No. 1:16-CV-3591-GHW (S.D.N.Y.) (the "Securities Litigation") pending in the United States District Court for the Southern District of New York (the "District Court"), individually and on behalf of all other persons who hold or who could assert claims that

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Old BPSUSH Inc. (f/k/a BPS US Holdings Inc.) (8341); Old BH Inc. (f/k/a Bauer Hockey, Inc.) (3094); Old EBS Inc. (f/k/a Easton Baseball / Softball Inc.) (5670); Old BHR Inc. (f/k/a Bauer Hockey Retail Inc.) (6663); Old BPSU Inc. (f/k/a Bauer Performance Sports Uniforms Inc.) (1095); Old PLG Inc. (f/k/a Performance Lacrosse Group Inc.) (4200); Old BPSCI Inc. (f/k/a BPS Diamond Sports Inc.) (5909); Old PSGI Inc. (f/k/a PSG Innovation Inc.) (9408); Old BHR Wind-down Corp. (f/k/a Bauer Hockey Retail Corp.) (1899); Old EBS Wind-down Corp. (f/k/a Easton Baseball / Softball Corp.) (4068); Old PSGI Wind-down Corp. (f/k/a PSG Innovation Corp.) (2165); Old BPSDS Wind-down Corp. (f/k/a BPS Diamond Sports Corp.) (8049); Old BPSU Wind-down Corp. (f/k/a Bauer Performance Sports Uniforms Corp.) (2203); Old PLG Wind-down Corp. (f/k/a Performance Lacrosse Group Corp.) (1249); and Old PSG Wind-down Ltd. (1514) (f/k/a Performance Sports Group Ltd., and also representing the estates of the Debtors formerly known as KBAU Holdings Canada, Inc., Bauer Hockey Corp., and BPS Canada Intermediate Corp., respectively). The Debtors' mailing address is 666 Burrard Street, Suite 1700, Vancouver, British Columbia, Canada, V6C 2X8.

are or could be included in the putative class of purchasers of equity security interests of Performance Sports Group Ltd. (n/k/a Old PSG Wind-down Ltd.) represented by the Lead Plaintiff in the Securities Litigation (the "Putative Class" and together with the Lead Plaintiff, the "Securities Claimants"), by and through their undersigned attorneys, hereby stipulate and agree that:

RECITALS

WHEREAS, the Debtors filed for protection under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") on October 31, 2016 (the "Petition Date"), in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") in the jointly-administered cases captioned *In re Old BPSUSH Inc., et al.*, Ch. 11 Case No. 16-12373 (KJC) (Bankr. D. Del. Oct. 31, 2016) (the "Chapter 11 Cases"); and

WHEREAS, the Debtors filed for protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985- c. C-36 in Canada (the "CCAA Proceedings" and together with the Chapter 11 Cases, the "Restructuring Proceedings") in the Ontario Superior Court of Justice (the "Canadian Court");

WHEREAS, Lead Plaintiff timely filed two proofs of claim in the Chapter 11 Cases for claims allegedly arising out of the Securities Litigation; one in its individual capacity [Claim No. 494] (the "Individual Securities Damages Claim") and another on behalf of itself and purportedly on behalf of the Putative Class [Claim No. 444] (the "Putative Class Claim" and, together with the Individual Securities Damages Claim, the "Securities Claims"); and

WHEREAS, on September 15, 2017, the Equity Committee filed an objection to the Putative Class Claim in which the Debtors joined (the "U.S. Class Claim Objection" and the "Joinder" respectively) [Docket Nos. 1338, 1340, 1391] and the Debtors filed an objection to the

Putative Class Claim in the CCAA Proceedings seeking entry of an order of the Canadian Court disallowing the Putative Class Claim (the "Canadian Class Claim Objection" and together with the U.S. Class Claim Objection and the Joinder, the "Class Claim Objections"); and

WHEREAS, on October 5, 2017, the Lead Plaintiff filed a brief in opposition to the U.S. Class Claim Objection and the Joinder and a cross-motion requesting application of Bankruptcy Rule 7023 to the Putative Class Claim (the "Rule 7023 Cross-Motion"); and

WHEREAS, the *Joint Chapter 11 Plan of Liquidation of Old BPSUSH Inc. and its Affiliated Debtors* (the "Plan") [Docket No. 1410-1] provides, among other things, that the Individual Securities Damages Claim is classified in Class P6, its recoveries are limited to the liquidated face amount of Claim No. 494, or $928,077, Class P6 is "Impaired" within the meaning of section 1124 of the Bankruptcy Code, and disallowance of the Putative Class Claim is a condition precedent to confirmation of the Plan; and

WHEREAS, on September 25, 2017, the Lead Plaintiff filed an objection to the Disclosure Statement asserting, among other things, that the Disclosure Statement could not be approved because the Plan was facially non-confirmable [Docket No. 1357] (the "Lead Plaintiff Disclosure Statement/Plan Objection"), to which the Debtors filed a reply on October 11, 2017 [Docket No. 1413]; and

WHEREAS, on October 16, 2017, the Bankruptcy Court and the Canadian Court held a joint hearing in respect of, among other matters, the Class Claim Objections, the Rule 7023 Cross-Motion, and related pleadings, and took such matters under advisement at the conclusion of the joint hearing; and

WHEREAS, the Lead Plaintiff, the Equity Committee and the Debtors have engaged in extensive, good-faith, arms'-length negotiations and, based upon the facts and circumstances of the Restructuring Proceedings and in order to avoid the costs and risks inherent in litigating the Class Claim Objections, any potential objections to the Plan, and the Rule 7023 Cross-Motion, the Lead Plaintiff (on behalf of itself and all potential members of the Putative Class), the Equity Committee and the Debtors have agreed, subject to approval of the Bankruptcy Court, to resolve the Securities Claims, any potential Plan objections of the Lead Plaintiff or the Putative Class (including, without limitation, the objections and arguments raised by Lead Plaintiff in the Lead Plaintiff Disclosure Statement/Plan Objection), and the Rule 7023 Cross-Motion. The Debtors, Equity Committee, and the Lead Plaintiff (on behalf of itself and all potential members of the Putative Class) further agree, subject to approval of the Bankruptcy Court, to amend the Plan and the Disclosure Statement to allow the Securities Claims and to certify the Putative Class pursuant to Rule 7023 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules") solely for the purpose of, and on the terms and conditions set forth in, this Stipulation (such Plan, as amended or subsequently amended, the "First Amended Plan", provided that such amended or future plan is consistent in all material respects with this Stipulation, and the disclosure statement submitted therewith, as may be amended, the "Disclosure Statement").

NOW, THEREFORE, THE PARTIES, BY AND THROUGH THEIR RESPECTIVE ATTORNEYS, HEREBY STIPULATE AND AGREE THAT:

1. The settlement set forth herein (the "Settlement") shall be memorialized in the First Amended Plan (and described in the Disclosure Statement). Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan filed on October 19, 2017.

[Docket No. 1410-1]. The Debtors, the Lead Plaintiff and the Equity Committee may be referred to herein as the "Parties" or individually, as a "Party".

2. The Parties agree that the confirmation date of the First Amended Plan will be no later than December 20, 2017 and the effective date of the First Amended Plan will be no later than December 21, 2017 (or such other date(s) as may be mutually agreed to among the Debtors, Equity Committee, and the Lead Plaintiff, and approved by the Bankruptcy Court).

3. The Disclosure Statement Order will be revised to provide that the Lead Plaintiff will be authorized under Bankruptcy Rules 3018 and 7023 to vote on behalf of the Putative Class and will provide for appropriate publication notice for the Securities Claimants (including the terms of the Settlement and the First Amended Plan confirmation process). Such form of publication notice shall be approved under and annexed to the revised Disclosure Statement Order. In addition:

a. The Lead Plaintiff will draft the class settlement notice appropriate for publication and satisfaction of Bankruptcy Rule 7023 and Rule 23 of the Federal Rules of Civil Procedure (the "Federal Rules") (in form and substance reasonably satisfactory to the Debtors and Equity Committee), and

b. Such publication notice shall be subject to Bankruptcy Court approval as satisfying all applicable notice requirements under the Bankruptcy Code, Bankruptcy Rules and Federal Rules.

4. The Settlement shall be subject to final approval by the Bankruptcy Court pursuant to Bankruptcy Rule 9019 in connection with confirmation of the First Amended Plan. The Confirmation Order or such other order as the Bankruptcy Court may enter granting final approval of the Settlement (a "Settlement Approval Order") shall provide that the Putative Class is certified solely for purposes of the Chapter 11 Cases, the Settlement, the First Amended Plan, and the resolution of the Securities Claims against the Debtors.

5. The Parties agree, and the Confirmation Order or Settlement Approval Order (as applicable), shall provide, that

a. certification of the Putative Class for purposes of the Settlement shall have no effect, including any *res judicata* or preclusive effect, on class certification issues in the Securities Litigation; and

b. the Settlement shall be binding on the Lead Plaintiff and all potential members of the Putative Class with respect to any Securities Claims against the Debtors and with respect to all other matters expressly addressed under the Settlement and the First Amended Plan.

6. The Settlement will not have any effect on the claims asserted against any non-Debtor defendant currently or hereafter named in the Securities Litigation, it being understood that neither the Debtors nor the Equity Committee nor any other estate representative is providing any assurance of such a result.

7. The Lead Plaintiff shall provide whatever evidence or other proof is reasonably necessary to demonstrate at the Confirmation Hearing that the Putative Class should be certified for settlement purposes only under Federal Rule 23 and Bankruptcy Rule 7023.

8. The Reorganized Debtors and the Liquidation Trust agree to provide a one-time delivery of documentary discovery to the Lead Plaintiff subject to the following limitations: (a) it will be a "one time" discovery demand; (b) of documents only in electronic or hard copy format; (c) that originated from the Debtors and are in the Debtors', Equity Committee's and/or the Liquidation Trust's possession, custody or control on the First Amended Plan's Effective Date (excluding any documents that are solely in the possession of the purchaser of the Debtors' assets); (d) subject to specified requests and reasonable search parameters (any disagreement to be resolved by the Bankruptcy Court as part of the "one time" production); (e) excluding any privileged documents, without requiring delivery of a "privilege log"; (f) governed by an agreement as to the immediate return of any inadvertently produced

privileged documents; (g) the Securities Claimants shall be responsible for responding to subpoenas issued by Securities Litigation defendants seeking copies of Trust-produced documents; and (h) the Securities Claimants will reimburse the Trust for copy, FedEx, and other administrative costs associated with production (but not for pre-production lawyer review time). The "one time" limitation shall not prohibit the Lead Plaintiff from asserting that the production was incomplete by identifying with specificity (*e.g.*, by Bates number) the produced document that was allegedly incomplete and the basis for asserting that such produced document was allegedly incomplete. This agreement on discovery shall not become effective until the occurrence of the Effective Date of the First Amended Plan, and, therefore, shall be managed by the new board of the Reorganized Parent Debtor and the Liquidation Trustee.

9. The First Amended Plan shall be in all material respects consistent with the Settlement and will provide as follows, with corresponding disclosures in the Disclosure Statement:

a. As of the Effective Date, and subject to the Parties' compliance with and satisfaction of the terms of this Stipulation, the Securities Claims shall be classified in Class P6 (which Class P6 shall be deemed "Impaired" under, and entitled to vote on, the First Amended Plan), and shall be Allowed and entitled to receive, in full, final and complete satisfaction, settlement, discharge and release of the Securities Claims and any other Claim the Lead Plaintiff or any other potential member of the Putative Class has asserted or could assert against the Debtors in respect of the Securities Claims and Securities Litigation: (a) the Class Settlement Cash Consideration, and (b) the Class Settlement Litigation Proceeds (as defined in paragraphs 9(b) and (c) below, respectively). For the avoidance of doubt, the former Class P6 (Individual Securities Damages Claim) shall be eliminated and the Individual Securities Damages Claim [Claim No. 494] filed by the Plumbers & Pipefitters National Pension Fund, in its individual capacity, shall receive no separate distribution under the Plan other than the consideration that is provided for the Securities Claims under the First Amended Plan.

b. Class Settlement Cash Consideration: The Lead Plaintiff (for itself and the Putative Class) will receive a distribution of $1,150,000 of Cash from the Sale

Proceeds, to be made contemporaneous with the initial distribution to Holders of Parent Equity Interests pursuant to the First Amended Plan.

c. <u>Class Settlement Litigation Proceeds</u>: Any Cause of Action Net Proceeds will be split 60% to Holders of equity interests in the Reorganized Parent Debtor and Holders of Beneficial Trust Interests, and 40% to the Lead Plaintiff on behalf of the Putative Class, with total aggregate recoveries by the Lead Plaintiff and the Putative Class on account of the Securities Claims (and any other Claim the Lead Plaintiff or any other potential member of the Putative Class has asserted or could assert against the Debtors in respect of the Securities Claims and Securities Litigation) from the Cause of Action Net Proceeds capped at $2,500,000 (once the $2.5 million cap has been reached, all further Cause of Action Net Proceeds shall be distributed to the Holders of Equity Interests in the Reorganized Parent Debtor and Holders of Beneficial Trust Interests in accordance with the Asset Apportionment). The First Amended Plan will obligate the Reorganized Parent Debtor to pay such share of such Cause of Action Net Proceeds to the Lead Plaintiff, for itself and on behalf of the Putative Class, prior to apportioning the remainder between the Liquidation Trust and the Reorganized Parent Debtor. The Reorganized Parent Debtor's obligation to pay such share of the Cause of Action Net Proceeds to the Lead Plaintiff, for itself and on behalf of the Putative Class, shall be reflected as part of the treatment of their claims under the First Amended Plan.

d. Except for the Class Settlement Cash Consideration and the Class Settlement Litigation Proceeds, neither the Lead Plaintiff nor the Putative Class shall receive any other consideration under the First Amended Plan, Settlement, or this Stipulation. For the avoidance of doubt, neither the Lead Plaintiff nor the Putative Class shall receive any equity interest in the Reorganized Parent Debtor or any interest in the Liquidation Trust on account of the Securities Claims.

e. The Lead Plaintiff will receive the Class Settlement Cash Consideration and the Class Settlement Litigation Proceeds in escrow for itself and the Putative Class, with the distribution and allocation of these funds to individual members of the Putative Class will be subject to a determination by the District Court consistent with Federal Rule 23. Neither the Debtors nor the Equity Committee nor any other estate representative will have any responsibility in respect to distribution or allocation of these funds to individual members of the Putative Class by the Lead Plaintiff except that the Reorganized Parent Debtor and the Liquidation Trust shall reasonably cooperate with the Lead Plaintiff and the Putative Class, at the sole expense of the Putative Class, in connection with sending notices or providing access to information to identify individual members of the Putative Class through DTC or any other applicable securities clearing agencies or transfer agents. Except as set forth in the Disclosure Statement Order, neither the Equity Committee nor any other estate representative shall have any responsibility for notifying individual class members of their right to a share of the Settlement proceeds.

f. The plan of allocation for individual members of the Putative Class with respect to the proceeds of the Settlement will be addressed by the District Court and an order of the District Court. If the Securities Litigation is dismissed or class certification, if necessary in connection with the distribution of the proceeds of the Settlement, is not granted by the District Court, then (i) neither the Class Settlement Cash Consideration nor any Class Settlement Litigation Proceeds shall be required to be returned to the Liquidation Trust or the Reorganized Parent Debtor and (ii) the Lead Plaintiff will make any necessary motion in the Bankruptcy Court to approve further procedures and plan of distribution for individual members of the Putative Class following the Effective Date. The expense of this process will be paid solely out of the proceeds of the Settlement.

g. It shall be a condition precedent to confirmation of, and the occurrence of the Effective Date of, the First Amended Plan that the Class Plaintiff Stipulation shall have been approved by the Bankruptcy Court in form and substance satisfactory to the Debtors, the Monitor, the Committees and the Lead Plaintiff.

10. Effective upon the approval of this Stipulation by the Bankruptcy Court, the Parties agree as follows:

a. Conditioned upon final approval of the Settlement and the occurrence of the Effective Date of the First Amended Plan in all material respects consistent with the Settlement, the Lead Plaintiff will (for itself and on behalf of the Putative Class) vote in favor of the First Amended Plan, will not opt out of the third party releases provided therein and will not object to confirmation of the First Amended Plan.

b. Debtors acknowledge that the third party releases in the First Amended Plan are not intended to release the claims set forth in the Securities Litigation against any non-Debtor defendant.

c. The Equity Committee's objection to the Putative Class Claim will, upon the Effective Date of the First Amended Plan, be withdrawn with prejudice. The Debtors' and the Equity Committee's objections to the Putative Class claim filed in the Canadian Court will be suspended pending the confirmation process and, upon the Effective Date of the First Amended Plan, will be deemed to have been withdrawn with prejudice. Upon the Effective Date of the First Amended Plan, the Rule 7023 Cross-Motion shall be deemed withdrawn with prejudice.

d. In the event that the Bankruptcy Court does not approve the Settlement pursuant to Bankruptcy Rule 7023 and Federal Rule 23, the First Amended Plan is not confirmed, or the Effective Date of the First Amended Plan does not occur on the dates set forth above or other date as agreed to by the Parties, then this Settlement shall terminate and become null and void and the rights, positions and privileges of the Debtors, the Equity Committee, and the Lead Plaintiff shall be restored to the status quo ante immediately prior to their entry into the Settlement.

e. The CCAA Approval Order shall provide (a) for the recognition of the Settlement, and (b) that the Settlement is binding on the Lead Plaintiff and all potential members of the Putative Class.

11. The Debtors will seek final approval of the Settlement reflected in the First Amended Plan pursuant to Bankruptcy Rule 9019 in the Confirmation Order. The Confirmation Order shall deem the Putative Class certified solely for purposes of the Settlement and the First Amended Plan (including voting), effective as of the Effective Date.

12. The Lead Plaintiff, the Equity Committee and the Debtors represent that they have full power and authority (with respect to actions taken by Lead Plaintiff, such power and authority will derive from, among other things, Bankruptcy Court approval of this Stipulation and confirmation of the First Amended Plan, as applicable) to enter into, bind themselves (and, in the case of the Lead Plaintiff, to bind the Putative Class and all members thereof upon obtaining the class certification required hereunder), and perform all of the obligations imposed by this Stipulation, the Settlement, and the First Amended Plan.

13. Effective upon entry of the order approving this Stipulation, this Stipulation shall be binding upon the Debtors and the Equity Committee, including any trustee, receiver, or other estate or creditor representative subsequently appointed in the Chapter 11 Cases or any superseding cases under Chapter 7 of the Bankruptcy Code, and upon Lead Plaintiff and each of their respective successors and assigns; effective upon the Effective Date of the First Amended Plan, this Stipulation shall be binding on all members (or potential members) of the Putative Class and such Putative Class members' successors and assigns, including, without

limitation, with respect to all claims that such Putative Class members have asserted or could assert against the Debtors in respect of the Securities Claims and Securities Litigation.

14. The Parties agree to take such further acts and execute such additional documents as may be reasonably necessary or appropriate to carry out the provisions and purposes of this Stipulation.

15. All provisions of this Stipulation involving action by Lead Plaintiff on behalf of the Putative Class are subject in all respects to certification of the Putative Class by the Bankruptcy Court solely for purposes of the Settlement (including voting).

[*Remainder of page intentionally left blank.*]

Dated: October 31, 2017
Wilmington, Delaware

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Schedule "B" – Plan Supplement Documents

[Attached]

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
OLD BPSUSH INC., *et al.*,[1]	)	Case No. 16-12373 (KJC)
Debtors.	)	(Jointly Administered)

NOTICE OF FILING OF PLAN SUPPLEMENT TO FIRST AMENDED JOINT CHAPTER 11 PLAN OF LIQUIDATION OF OLD BPSUSH INC. AND ITS AFFILIATED DEBTORS

PLEASE TAKE NOTICE that on November 2, 2017, the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") filed the *First Amended Joint Chapter 11 Plan of Liquidation of Old BPSUSH Inc. and its Affiliated Debtors* [Docket No. 1473] (the "Plan") and the related *Disclosure Statement With Respect to First Amended Joint Chapter 11 Plan of Liquidation of Old BPSUSH Inc. and its Affiliated Debtors* [Docket No.1474] the "Disclosure Statement").[2]

[1] The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Old BPSUSH Inc. (f/k/a BPS US Holdings Inc.) (8341); Old BH Inc. (f/k/a Bauer Hockey, Inc.) (3094); Old EBS Inc. (f/k/a Easton Baseball / Softball Inc.) (5670); Old BHR Inc. (f/k/a Bauer Hockey Retail Inc.) (6663); Old BPSU Inc. (f/k/a Bauer Performance Sports Uniforms Inc.) (1095); Old PLG Inc. (f/k/a Performance Lacrosse Group Inc.) (4200); Old BPSCI Inc. (f/k/a BPS Diamond Sports Inc.) (5909); Old PSGI Inc. (f/k/a PSG Innovation Inc.) (9408); Old BHR Wind-down Corp. (f/k/a Bauer Hockey Retail Corp.) (1899); Old EBS Wind-down Corp. (f/k/a Easton Baseball / Softball Corp.) (4068); Old PSGI Wind-down Corp. (f/k/a PSG Innovation Corp.) (2165); Old BPSDS Wind-down Corp. (f/k/a BPS Diamond Sports Corp.) (8049); Old BPSU Wind-down Corp. (f/k/a Bauer Performance Sports Uniforms Corp.) (2203); Old PLG Wind-down Corp. (f/k/a Performance Lacrosse Group Corp.) (1249); and Old PSG Wind-down Ltd. (1514) (f/k/a Performance Sports Group Ltd., and also representing the estates of the Debtors formerly known as KBAU Holdings Canada, Inc., Bauer Hockey Corp., and BPS Canada Intermediate Corp., respectively). The Debtors' mailing address is 666 Burrard Street, Suite 1700, Vancouver, British Columbia, Canada, V6C 2X8.

[2] All terms not otherwise defined herein shall be given the meanings ascribed to them in the Plan.

PLEASE TAKE FURTHER NOTICE that, as referenced in the Plan and set forth in the Disclosure Statement, attached hereto as **Exhibits A** through **I** are the documents that comprise the Plan Supplement:[3]

Exhibit A:	**Debtors' Post-Effective Date Boards of Directors**
Exhibit B:	**Chief Wind-Down Officer**
Exhibit C:	**Liquidation Trustee and Members of Liquidation Trust Advisory Board**
Exhibit D:	**Proposed Form of Liquidation Trust Agreement (Includes Liquidation Trust Expense Reserve Amount)**[4]
Exhibit E:	**Restricted Stock Units and Deferred Share Units to be Treated as Parent Equity Interests Under the Plan**
Exhibit F:	**Amendments to Debtors' Organizational Documents**
Exhibit G:	**Form of Cost Sharing Agreement**
Exhibit H:	**Form of CCAA Approval Order**
Exhibit I:	**Intercompany Claim Treatment Modifications; Intercompany Equity Interest Treatment**

PLEASE TAKE FURTHER NOTICE that any holder of Claims or Equity Interests who would like to receive copies of any of the exhibits contained in this Plan Supplement may receive a copy by contacting Casey Cathcart at (302) 571-4753 or ccathcart@ycst.com. In addition, copies may also be obtained (a) for a fee through the website of the United States Bankruptcy Court for the District of Delaware, https://ecf.deb.uscourts.gov,

[3] The Debtors expressly reserve the right, at any time prior to the Effective Date, to supplement, modify or amend this Plan Supplement with the consent of various parties whose approval for such items is required by the Plan. Defined terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

4 As noted in Section 2.5 of the Liquidation Trust Agreement, the initial amount of the Liquidation Trust Expense Reserve is currently estimated to be $6,000,000, which amount may be adjusted up or down prior to the Confirmation Hearing, and subsequently may be adjusted up or down from time to time by the Liquidation Trustee in its judgment, subject to Section 3.5 of the Liquidation Trust Agreement. The payment of expenses from the Liquidation Trust Expense Reserve may materially impact recoveries to Holders of Allowed Parent Equity Interests.

or (b) free of charge through the website established by the Claims Agent for the Debtors' Chapter 11 Cases at https://cases.primeclerk.com/PSG/.

Dated: December 5, 2017
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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EXHIBIT A

Debtors' Post-Effective Date Boards of Directors

1. **Kenneth Grossman**
2. **Geoffrey Arens**
3. **Brenda Reed**

4. and 5. Two Members to be designated at or prior to the Confirmation Hearing, at least one of whom shall be a Canadian Resident

Please refer to Exhibits A and B of the Liquidation Trust Agreement (which is Exhibit D to this Plan Supplement) with respect to proposed compensation.

EXHIBIT B

Chief Wind-Down Officer

1. **Mark E. Palmer**

Please refer to Exhibits A and B of the Liquidation Trust Agreement (which is Exhibit D to this Plan Supplement) with respect to proposed compensation.

EXHIBIT C

Liquidation Trustee and Members of Liquidation Trust Advisory Board

Liquidation Trustee

1. Mark E. Palmer

Members

1. Kenneth Grossman
2. Geoffrey Arens
3. Brenda Reed

4. and 5. Two Members to be designated at or prior to the Confirmation Hearing, at least one of whom shall be a Canadian Resident

Please refer to Exhibits A and B of the Liquidation Trust Agreement (which is Exhibit D to this Plan Supplement) with respect to proposed compensation.

EXHIBIT D

Proposed Form of Liquidation Trust Agreement

OLD PSG WIND DOWN LIQUIDATION TRUST AGREEMENT

This liquidating trust agreement (the "Agreement") is made this [__] day of [ ], 2017 by and among Old PSG Wind-down Ltd. (together, the "Debtor"), and Theseus Strategy Group LLC, as trustee (the "Liquidation Trustee"). Capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to them in the Plan (as defined below).

RECITALS

WHEREAS, on October 31, 2016, the Debtor and certain of its affiliated entities (collectively, the "Debtors") filed voluntary petitions (collectively, the "Chapter 11 Cases") for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") and each also made an application for protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") with the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court,") commencing the Debtors' proceedings under the CCAA (the "CCAA Proceedings" and collectively with the Chapter 11 Cases, the "Bankruptcy Proceedings");

WHEREAS, on November 10, 2016, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed the Creditors' Committee, a statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code. On November 28, 2016, the U.S. Trustee appointed the Equity Committee, a statutory committee of equity security holders pursuant to section 1102 of the Bankruptcy Code;

WHEREAS, on [December __,], 2017, the Bankruptcy Court entered an order [Docket No. __] (the "Confirmation Order") confirming the *First Amended Joint Chapter 11 Plan of Liquidation of Old BPSUSH Inc. and its Affiliated Debtors* (the "Plan");

WHEREAS, on December [**20**], 2017, the Canadian Court entered an order (the "CCAA Approval Order") enforcing the Plan in Canada and granting other relief to necessary to effectuate the Plan.

WHEREAS, the Plan's Effective Date shall occur on December [ ], 2017;

WHEREAS, pursuant to the Plan, in the event that certain Holders of Allowed Parent Equity Interests (as defined in the Plan) elect Option 1, (a) a liquidating trust (the "Liquidation Trust") will be formed on the Effective Date, (b) as soon as practicable following the Effective Date, beneficial interests therein ("Beneficial Trust Interests") shall be distributed to the Holders of Allowed Parent Equity Interests that validly elected Option 1 under the Plan (the "LT Holders"), and (c) the Liquidation Trust will be vested with its applicable share (consistent with the Asset Apportionment) of the Liquidation Trust Expense Reserve and the Retained Causes of Action and certain other Assets (but not any of the Sales Proceeds or other Cash other than Cash generated from the Retained Causes of Action or in the Liquidation Trust Expense Reserve) (such applicable share, the "Liquidation Trust Assets"), in each case to be liquidated and distributed to the LT Holders as set forth in the Plan and this Agreement;

WHEREAS, the Plan further contemplates that the Reorganized Debtors shall retain or acquire their applicable share (consistent with the Asset Apportionment) of the Retained Causes of Action, Liquidation Trust Expense Reserve and certain other assets of the Debtors' Estates for the benefit of Holders of Allowed Parent Equity Interests in the Parent Debtor who did not validly elect Option 1 or are otherwise deemed to have elected Option 2 under the Plan, but subject to the obligation of the Liquidation Trust and the Reorganized Debtors under the Plan to pay the Class Settlement Litigation Proceeds to the Lead Plaintiff, as set forth in the Plan;

WHEREAS, the Plan contemplates that, pursuant to Treasury Regulation Section 301.7701-4(d), the Liquidation Trust shall be created for the primary purpose of liquidating the Liquidation Trust Assets in an expeditious and orderly manner, with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to and consistent with the liquidating purpose of the Liquidation Trust and the Plan;

WHEREAS, the Plan provides that the person appointed as Liquidation Trustee shall also be appointed as the Litigation Representative on behalf of the Reorganized Debtors and, in such dual capacities, shall have the power and authority to exercise certain rights, powers and privileges related to the Retained Causes of Action and the Liquidation Trust Expense Reserve on behalf of this Liquidation Trust and the Reorganized Debtors as more fully set forth herein; and

WHEREAS, for U.S. federal income tax purposes, the Liquidation Trust is intended to qualify as a "grantor trust" for U.S. federal income tax purposes, pursuant to Sections 671-677 of the Internal Revenue Code of 1986, as amended (the "IRC"), with the LT Holders (or, as applicable, the underlying beneficial holders of the LT Holders (the "Beneficial Holders")) to be treated as the grantors of the Liquidation Trust and deemed to be the owners of the Liquidation Trust Assets (including the income and proceeds thereof), subject to the rights of creditors of the Liquidation Trust. The transfer of the Liquidation Trust Assets to the Liquidation Trust shall be treated as a deemed transfer of those assets from the Debtors and the Estates to the LT Holders (or, as applicable, the Beneficial Holders) followed by a deemed transfer by such LT Holders (or, as applicable, the Beneficial Holders) to the Liquidation Trust.

NOW, THEREFORE, pursuant to the Plan and the Confirmation Order, in consideration of the mutual agreements of the parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and affirmed, the parties hereby agree as follows:

ARTICLE I
DECLARATION OF TRUST

1.1 Creation and Purpose of the Liquidation Trust. The Debtors and the Liquidation Trustee hereby create the Liquidation Trust for the primary purpose of liquidating and distributing the Liquidation Trust Assets to the LT Holders in accordance with their respective entitlements, if any, under the Plan, the Confirmation Order, the CCAA Approval Order and applicable tax statutes, rules, and regulations, and in an expeditious but orderly manner, with no objective to continue or engage in the conduct of a trade or business. In particular, the Liquidation Trustee shall (a) make continuing efforts to collect and reduce the Liquidation Trust Assets to cash, and (b) make timely distributions in accordance with the Plan and not unduly prolong the duration of the Liquidation Trust.

1.2 Declaration of Trust. In order to declare the terms and conditions hereof, and in consideration of the confirmation of the Plan, the Debtors and the Liquidation Trustee have executed this Agreement and, effective as soon as reasonably practicable following the Effective Date, the Reorganized Parent Debtor shall, in accordance with the Plan, irrevocably transfer to the Liquidation Trust a portion of the right, title, and interests of the Debtors in and to the Retained Causes of Action, together with all of the Privileges, in each case to the extent consistent with the Asset Apportionment as defined herein, to have and to hold unto the Liquidation Trust and its successors and assigns forever, under and subject to the terms of the Plan, the Confirmation Order and the CCAA Approval Order for the benefit of the LT Holders (or, as applicable, the Beneficial Holders, in each case, to the extent of their respective legal entitlements) and their successors and assigns as provided for in this Agreement and in the Plan, the Confirmation Order and the CCAA Approval Order. Within sixty (60) days of the Effective Date, at least \$100,000 of the Liquidation Trust Expense Reserve shall be transferred by the Reorganized Parent Debtor to the Liquidation Trust, as set forth in the Plan, unless the Board of Directors of the Reorganized Parent Debtor, with the consent of the Liquidation Trustee, which consent shall not be unreasonably withheld, reasonably determines that such funding should not be made. As set forth in Section 2.5 herein, the Reorganized Debtors shall transfer the appropriate portion of the remainder of the Liquidation Trust Expense Reserve to the Liquidation Trust in accordance with the Plan and pursuant to the provisions of Section 1(4) of the Cost Sharing Agreement. As soon as reasonably practicable after the Effective Date, the Reorganized Debtors shall transfer the appropriate portion of their rights in respect of books and records and other documents as set forth in Section 4.3 herein, and the other Liquidation Trust Assets (including the income and proceeds therefrom), as set forth in the Plan, in each case to the extent consistent with the Asset Apportionment, as defined herein. Following the occurrence of the Effective Date, automatically, without further action and immediately, (i) title to all Liquidation Trust Assets shall vest in the Liquidation Trust in accordance with the Plan, the Confirmation Order and the CCAA Approval Order consistent with the Asset Apportionment, free and clear of all Claims, liens, security interests, encumbrances or interest of any kind and (ii) the Liquidation Trustee shall be Trustee of this Liquidation Trust in accordance with the Plan. For all purposes of this Agreement, "Asset Apportionment" shall be subject to adjustment from time to time, as the Liquidation Trustee (including in its capacity as Liquidation Trustee and its capacity as Litigation Representative), determines in its reasonable judgment, so as to take into account the percentages of Allowed Parent Equity Interests for those Holders of Parent Equity Interests who have (i) validly elected Option 1, and who qualify as holders of Beneficial Trust Interests in accordance with the Plan; and (ii) validly elected Option 2 or are deemed to have elected Option 2 or who otherwise are and remain shareholders of the Reorganized Parent Debtor in accordance with the Plan.

1.3 Vesting of Estate Assets. The Liquidation Trustee shall have all the rights and powers set forth in the Plan and this Agreement (to the extent not inconsistent with the Confirmation Order, the CCAA Approval Order and the Plan) to act on behalf of the Liquidation Trust (and, in its capacity as Litigation Representative, on behalf of the Reorganized Debtors and this Liquidation Trust), including the right to (a) effect all actions and execute all agreements, instruments and other documents, and exercise all rights and Privileges previously held by the Debtors, necessary or convenient to implement the provisions of the Plan and this Agreement,

(b) subject to this Agreement, the Confirmation Order and the Plan, prosecute, settle, abandon or compromise the Retained Causes of Action on behalf of the Liquidation Trust and the Debtors, (c) authorize distributions as contemplated by and in accordance with the Plan, and (d) make disbursements from the Liquidation Trust Expense Reserve (or, prior to the funding of the Liquidation Trust Expense Reserve, make required distributions of cash held by the Reorganized Debtors) on behalf of the Liquidation Trust and the Reorganized Debtors. The Liquidation Trustee for the benefit of and on behalf of the Liquidation Trust and in its capacity as Litigation Representative for the benefit of and on behalf of the Reorganized Debtors and the Liquidation Trust, without further court order but subject to this Agreement and the Plan, shall have full power and authority to (i) investigate, prosecute, abandon, settle, liquidate, or otherwise resolve the Retained Causes of Action, (ii) retain counsel and other professionals in connection with investigating, prosecuting, abandoning, settling, liquidating, or otherwise resolving the Retained Causes of Action, under such arrangements regarding compensation and other terms as the Liquidation Trustee may deem reasonable and appropriate, (iii) subject to Section 3.5(b), to the extent consistent with the provisions of U.S. tax laws applicable to liquidating trusts, enter into arrangements for the funding of the foregoing activities of the Liquidation Trustee and the Litigation Representative in respect of the Retained Causes of Action, which arrangements may include granting interests in the Retained Causes of Action or the proceeds thereof; provided, however, that any such funding arrangements shall be non-recourse except as to any proceeds received in respect of the Retained Causes of Action subject to such funding arrangements and, provided, further, however, that any such funding may only be furnished by a Holder of Beneficial Interests in the Liquidation Trust or an Equity Interest in the Reorganized Parent Debtor, or another Affiliate of the Liquidation Trust or the Reorganized Parent Debtor (except for the Liquidation Trustee) if a majority of disinterested members of the Liquidation Trust Advisory Board and the Board of Directors of the Reorganized Parent Debtor and the Liquidation Trustee and the Litigation Representative (or if there are no disinterested members of the Liquidation Trust Advisory Board or the Board of Directors of the Reorganized Parent Debtor, the Bankruptcy Court and the Canadian Court) have made a determination in their reasonable, good faith judgment that any such funding arrangement to be provided by such a Holder or Affiliate is on terms at least as favorable to the Liquidation Trust and the Reorganized Parent Debtor as those which are available on an arm's-length basis from a disinterested Person and it would be in the best interest of the Liquidation Trust and the Reorganized Parent Debtor to enter into such arrangement. Subject to, and in accordance with, the provisions of the Plan, including, but not limited to, the obligation of the Liquidation Trust and the Reorganized Parent Debtor to pay forty percent (40%) of any Cause of Action Net Proceeds which may be recovered, up to an aggregate amount of $2.5 million, to the Lead Plaintiff as Plan Settlement Litigation Proceeds, all Liquidation Trust Assets shall be delivered to the Liquidation Trust free and clear of liens, claims, and interests of any kind. Moreover, on the Effective Date, (i) all Privileges with respect to the Liquidation Trust Assets and any other assets of the Estates and/or of the Debtors to which the Debtors are entitled, including the attorney-client privilege and any other privilege or similar right, shall be automatically vested jointly in the Liquidation Trust and the Reorganized Debtors, and available for assertion or waiver by the Liquidation Trustee, in its capacity as Litigation Representative on behalf of the Liquidation Trust and the Reorganized Debtors, and (ii) the Liquidation Trustee shall have the exclusive power and authority (subject only the consent of the Liquidation Trust Advisory Board under Section 3.5(b) to exercise the rights, powers and privileges conferred upon it under the Plan in its capacity as Liquidation

Trustee acting on behalf of the Liquidation Trust, as further provided in this Agreement. To the extent any of the foregoing does not automatically occur on or following the Effective Date or is not effectuated through the Confirmation Order, the CCAA Approval Order or this Agreement, the Reorganized Debtors shall, on or as soon as reasonably practicable following the Effective Date, execute such other and further documents as are reasonably necessary to effectuate all of the foregoing.

1.4 Acceptance by Liquidation Trustee; Management. The Liquidation Trustee hereby accepts the trust imposed on it by this Agreement, agrees to observe and perform that trust and all other powers and duties vested in it hereunder as Liquidation Trustee hereunder and subject to the terms and conditions set forth in this Agreement, the Plan, the Confirmation Order and the CCAA Approval Order. In connection with and in furtherance of the purposes of the Liquidation Trust, the Liquidation Trustee hereby accepts the transfer of the Liquidation Trust Assets to this Liquidation Trust. The Liquidation Trust shall be managed within the United States in accordance with this Agreement and the provisions of the Plan.

1.5 Name of the Liquidation Trust. The Liquidation Trust established hereby shall be known as the "Old PSG Wind Down Liquidation Trust."

1.6 Liquidation Trust Advisory Board. Pursuant to the Plan and this Agreement, an advisory board (the "Liquidation Trust Advisory Board") shall be created on the Plan's Effective Date comprised of up to five (5) members (each a "Member" and collectively, the "Members"), each of whom shall be a United States person as defined in Section 7701(a)(30) of the IRC, and shall not be a resident of Canada for purposes of the *Income Tax Act* (Canada) (a "United States Person"); provided however, that, notwithstanding the foregoing, at least one (1) Member may be a Canadian person unless the Liquidation Trustee for good reason determines otherwise. Mark E. Palmer (in his capacity as Managing Director of the Liquidation Trustee) or any other Person who is affiliated with the Liquidation Trustee may, but shall not be required to, serve as a Member of the Liquidation Trust Advisory Board, provided Mark E. Palmer (or such other Person affiliated with a Liquidation Trustee which is an Entity) is not the sole Member of the Liquidation Trust Advisory Board at the same time as he acts as the Liquidation Trustee, which service shall be without any additional compensation beyond that payable to the Liquidation Trustee pursuant to this Agreement. Except as otherwise expressly provided in the Plan and this Agreement, the Liquidation Trust Advisory Board shall have the responsibility to advise the Liquidation Trustee as provided hereunder, but shall not have any power or authority as to the Liquidation Trust Assets, the Retained Causes of Action, the Privileges, books and records or other assets or property belonging to the Estates. Action by the Liquidation Trust Advisory Board shall be taken by majority vote of the Members; provided, however, that the Liquidation Trust Advisory Board shall not have a quorum to take any action or make any decision at a time when United States Persons do not constitute a majority of the Members present and voting. All meetings of the Liquidation Trust Advisory Board shall be held in the United States of America. If one or more Members attends a meeting of the Liquidation Trust Advisory Board by telephone or other form of electronic communication, then a majority of the Members shall be physically present in the United States of America for such meeting. The initial Members of the Liquidation Trust Advisory Board and their compensation are set forth on Exhibit A.

ARTICLE II
THE LIQUIDATING TRUSTEE

2.1 Appointment. The Liquidation Trustee has been selected pursuant to the provisions of the Plan and has been appointed as such as of the Effective Date. The Liquidation Trustee's appointment shall continue until the earlier of (a) the termination of the Liquidation Trust or (b) the Liquidation Trustee's death, medical incapacity (as determined by the Members of the Liquidation Trust Advisory Board other than the Liquidation Trustee or an affiliate thereof), dissolution, resignation or removal. To effectuate an orderly and efficient transition of the administration of the Liquidation Trust Assets, the Liquidation Trustee may perform certain services in connection with its duties and obligations under this Agreement prior to the Effective Date.

2.2 General Powers. Except as otherwise provided in this Agreement, the Plan, the Confirmation Order or the CCAA Approval Order, the Liquidation Trustee shall control and exercise authority over the Liquidation Trust Assets, over the acquisition, management, and disposition thereof, and over the management of the Liquidation Trust. Nothing in this Agreement shall be deemed to prevent the Liquidation Trustee from taking, or failing to take, any action that it is obligated to take (or not to take) in the performance of any fiduciary or similar duty that the Liquidation Trustee owes to the LT Holders or the Beneficial Holders hereunder or to the Reorganized Debtors (or the Reorganized Parent Debtor's shareholders) as Litigation Representative or otherwise to any other Person. No person dealing with the Liquidation Trust shall be obligated to inquire into the Liquidation Trustee's authority in connection with the acquisition, management, or disposition of Liquidation Trust Assets. Without limiting the generality of the foregoing and in addition to the powers set forth in the Plan and Confrontation Order, but subject to the Plan, the Confirmation Order, and other provisions of this Agreement (including without limitation Section 3.5(b) herein), the Liquidation Trustee in its capacity as such shall be expressly authorized, with respect to the Liquidation Trust and the Liquidation Trust Assets, to:

(a) Exercise all power and authority that may be or could have been exercised, commence all proceedings that may be or could have been commenced, and take all actions that may be or could have been taken with respect to the Liquidation Trust Assets, by any officer, director, shareholder, or other party acting in the name of the Debtors or their Estates with like effect as if duly authorized, exercised, and taken by action of such officers, directors, shareholders, or other party.

(b) Open and maintain bank accounts, open and maintain a mailing office and/or a meeting office or establish a presence in a particular United States jurisdiction, in each case on behalf of or in the name of the Liquidation Trust, calculate and make distributions, and take other actions consistent with the Plan and the implementation thereof, including the establishment, re-evaluation, adjustment and maintenance of appropriate reserves, in the name of the Liquidation Trust and/or the Reorganized Debtors, to the extent provided under the Plan, the Confirmation Order or the CCAA Approval Order.

(c) Receive, manage, invest, supervise, and protect the Liquidation Trust Assets, subject to the limitations provided herein.

(d) Hold legal title to any and all Liquidation Trust Assets.

(e) Subject to the applicable provisions of the Plan, prosecute, collect and liquidate all Liquidation Trust Assets.

(f) Review and, where appropriate, allow, object to and/or move to estimate or recharacterize U.S. Claims and/or Equity Interests in consultation with the Monitor in accordance with the Plan and Claims Resolution Order approved by the Canadian Court on September 1, 2017, supervise and administer the resolution and settlement of all Equity Interests, and supervise, administer, and distribute Liquidation Trust Assets to the LT Holders in accordance with this Agreement, the Plan, the Confirmation Order, the CCAA Approval Order and the Claims Resolution Order.

(g) Subject to Article IV of this Agreement, prosecute, abandon, compromise, and settle all Retained Causes of Action, and exercise all other rights, powers and privileges conferred upon the Liquidation Trustee under the Plan, including, but not limited to, those vested in it as Litigation Representative on behalf of the Liquidation Trust and the Reorganized Debtors.

(h) (i) Seek a determination of tax liability under Bankruptcy Code Section 505; (ii) file any and all tax and information returns required to be filed; (iii) make all tax elections required to be made; and (iv) pay all taxes required to be paid, if any, in each case, for and on behalf of the Liquidation Trust and, as necessary, the Disputed Parent Equity Interest Reserve.

(i) Take any reasonably necessary actions to implement the pre-dissolution reconciliation of distributions to the LT Holders and shareholders of Reorganized Parent Debtor in accordance with Article V.B.3.c of the Plan (the "True-Up Provisions") and the Cost Sharing Agreement.

(j) Pay all lawful, expenses, debts, charges, taxes, and liabilities of the Liquidation Trust, including, as necessary, the Disputed Parent Equity Interest Reserve. Without limitation of the generality of the foregoing, the Liquidation Trustee, in its capacity as such and as Litigation Representative, may pay or reserve for payment all reasonable and documented fees, costs, and expenses of the Liquidation Trust or the Reorganized Debtors, in a manner consistent with the Asset Apportionment, as applicable, and, to the extent appropriate, consistent with the True-Up Provisions, that are: (i) incurred in connection with the administration of the Liquidation Trust or the Reorganized Debtors, the protection, preservation, liquidation and distribution of the Liquidation Trust Assets, or the assets vested in the Reorganized Debtors, and the cost of investigating, prosecuting, resolving and/or settling any Retained Causes of Action or Claims against the Debtors' Estates, any tax liability imposed upon the Liquidation Trust, and any fees, costs, expenses of any and all professionals retained by the Liquidation Trust or the Reorganized Debtors in connection with the Liquidation Trust Assets; (ii) obligations or other liabilities otherwise incurred by the Liquidation Trust; (iii) contingent liabilities reasonably necessary to preserve the value of the Liquidation Trust Assets; (iv) any other Wind-Down Expenses as provided under the Plan; and (v) any other obligations of the Liquidation Trust or the Reorganized Debtors as set forth in the Plan, the Confirmation Order, the CCAA Approval

Order or this Agreement.

(k) Take any and all actions consistent with the provisions of the Plan, the Confirmation Order and the CCAA Approval Order, including, without limitation, cooperating with the Chief Wind Down Officer to cause the payment of any Class Settlement Litigation Proceeds which may be required to be paid to the Lead Plaintiff pursuant to the Plan.

(l) Make distributions to the LT Holders, as provided for or contemplated by the Plan, the Confirmation Order, the CCAA Approval Order and this Agreement.

(m) Withhold from the amount distributable to any person such amount as may be sufficient to pay any tax or other charge which the Liquidation Trustee has determined, in its sole discretion, may be required to be withheld therefrom under the income tax laws of the United States, Canada, any foreign country, or of any state, local, provincial or political subdivision of any of them.

(n) Enter into any agreement or execute any document required by or consistent with the Plan, the Confirmation Order, the CCAA Approval Order or this Agreement and perform all obligations thereunder.

(o) If any of the Liquidation Trust Assets are situated in any state or other jurisdiction in which the Liquidation Trustee is not qualified to act as trustee, nominate and appoint a person duly qualified to act as trustee in such state or jurisdiction and require from each such trustee such security as may be designated by the Liquidation Trustee in its sole discretion; confer on such trustee all the rights, powers, privileges, and duties of the Liquidation Trustee hereunder, subject to the conditions and limitations of this Agreement, except as modified or limited by the Liquidation Trustee and except where the conditions and limitations may be modified by the laws of such state or other jurisdiction (in which case, the laws of the state or other jurisdiction in which such trustee is acting shall prevail to the extent necessary); require such trustee to be answerable to the Liquidation Trustee for all monies, assets, and other property that may be received in connection with the administration of all property; and remove such trustee, with or without cause, and appoint a successor trustee at any time by the execution by the Liquidation Trustee of a written instrument declaring such trustee removed from office, and specifying the effective date and time of removal.

(p) Purchase and carry all insurance policies and pay all insurance premiums and costs it deems reasonably necessary or advisable.

(q) Subject to Section 3.3 herein, retain and compensate, without further order of the Bankruptcy Court, the services of employees, professionals, and consultants to advise and assist in the administration, prosecution and distribution of the Liquidation Trust Assets pursuant to Section 2.5 herein.

(r) Taking any and all other actions which the Liquidation Trustee deems necessary or desirable to implement, enforce, or discharge all of the terms, conditions and all other provisions of, and all duties and obligations under, the Plan, the Confirmation Order, the CCAA Approval Order and this Agreement (including the income and proceeds therefrom).

(s) Enter into agreements with any Person or Entity, including Holders of Parent Equity Interests, for the administration, prosecution and distribution of Retained Causes of Action.

(t) Subject to Section 3.5 herein, manage, including without limitation adjust from time to time the amount of, the Liquidation Trust Expense Reserve.

(u) Take all other actions consistent with the provisions of the Plan, the Confirmation Order, the CCAA Approval Order and this Agreement that the Liquidation Trustee deems reasonably necessary or desirable to administer the Plan.

(v) Take all actions necessary or appropriate to (i)make or cause to be made any Class Settlement Litigation Proceeds payable to the Lead Plaintiff pursuant to the Plan and the Class Settlement Stipulation; and (ii) comply with any requirements under the Internal Revenue Code, any applicable regulations promulgated thereunder or any other tax laws which, in the reasonable judgment of the Liquidation Trustee, are applicable to such payments (including, but not limited to, the issuance of grantor trust information to the Lead Plaintiff or others and the receipt of any applicable Tax Documents (as defined in Section 9.2 hereof)) prior to the payment of such Class Settlement Litigation Proceeds to the Lead Plaintiff.

2.3 Limitations on the Liquidation Trustee. Notwithstanding anything under applicable law, this Agreement, or the Plan to the contrary, the Liquidation Trustee shall not do or undertake any of the following:

(a) Take any action that would jeopardize treatment of the Liquidation Trust as a "liquidating trust" for U.S. federal income tax purposes.

(b) Receive transfers of any listed stocks or securities, or any readily marketable securities, except as is absolutely necessary or required under the Plan and the Confirmation Order; provided, however, that in no event shall the Liquidation Trustee receive any such investment that would jeopardize treatment of the Liquidation Trust as a "liquidating trust" for federal income tax purposes.

(c) Receive or retain cash or cash equivalents in excess of a reasonable amount necessary to make applicable distributions to LT Holders, satisfy any liabilities of the Liquidation Trust and establish and maintain the Liquidation Trust Expense Reserve, as contemplated by the Plan.

(d) Exercise any investment power other than the power to invest in demand and time deposits in banks or savings institutions, or other temporary liquid investments, such as short-term certificates of deposit or Treasury bills or other investments that a "liquidating trust" within the meaning of Treasury Regulation Section 301.7701-4(d) may be permitted to hold, pursuant to the Treasury Regulations or any Internal Revenue Service ("IRS") guidelines, whether set forth in IRS rulings, IRS revenue procedures, other IRS pronouncements, or otherwise.

(e) Receive or retain any operating assets of a going business, a partnership interest in a partnership that holds operating assets, or fifty percent (50%) or more of the stock of a corporation with operating assets, except as is absolutely necessary or required under the Plan and the Confirmation Order; provided, however, that in no event shall the Liquidation Trustee receive or retain any such asset or interest that would jeopardize treatment of the Liquidation Trust as a "liquidating trust" for federal income tax purposes.

(f) Commence any Cause of Action exculpated or released pursuant to the Plan or other Order of the Bankruptcy Court or the Canadian Court.

(g) Accept or take on, directly or indirectly, any obligation or other liability, monetary or otherwise, on behalf of the Liquidation Trust, that is not contemplated by, or, in the reasonable judgment of the Liquidation Trustee, necessary or desirable to effectuate, the terms of the Plan.

(h) Take any action that is prohibited by the Plan, the Confirmation Order and the CCAA Approval Order except as otherwise authorized by order of the Bankruptcy Court and/or the Canadian Court; provided, however, that the parties hereto agree that the Reorganized Parent Debtor and the Liquidation Trust shall not seek an order of the Canadian Court if, in the reasonable judgment of the Liquidation Trustee, the effect of such order would reasonably be expected to have a material adverse effect on the Liquidation Trust for any applicable United States tax or securities law purposes.

2.4 Compensation of Liquidation Trustee and Its Professionals. The Liquidation Trustee shall be entitled to be paid from the Liquidation Trust Expense Reserve or other Liquidation Trust Assets (including the income or proceeds therefrom) reasonable compensation in connection with the performance of its duties (including any work performed prior to the Effective Date) as set forth in Exhibit B hereto, plus the reimbursement of reasonable out-of-pocket expenses. The reimbursement of reasonable out-of-pocket expenses shall be paid in arrears within the time frame provided in this Section 2.4. Any successor to the Liquidation Trustee shall also be entitled to reasonable compensation in connection with the performance of its duties, which compensation may be different from the terms provided in Exhibit B, plus the reimbursement of reasonable out-of-pocket expenses. It is expressly acknowledged and agreed that: (i) the above compensation is to be paid to the Liquidation Trustee both for its services as Liquidation Trustee and as Litigation Representative on behalf of the Liquidation Trust and the Reorganized Debtors; (ii) the Liquidation Trustee shall be entitled to no separate or additional compensation from the Liquidation Trust or the Reorganized Debtors for serving as Litigation Representative of the Liquidation Trust and the Reorganized Debtors; and (iii) the Liquidation Trust and the Reorganized Parent Debtor shall bear its allocable share of such compensation in accordance with the Asset Apportionment, as applicable, and, to the extent appropriate, consistent with the True-Up Provisions.

The Liquidation Trustee may retain the services of employees, professionals (including, but not limited to, lawyers and accountants), and consultants to advise and assist in the administration, prosecution and distribution of the Liquidation Trust Assets. The Liquidation Trustee shall also be entitled to pay from the Liquidation Trust Assets (including the income or proceeds therefrom) reasonable compensation, plus the reimbursement of out-of-pocket expenses, to each of its professionals.

The Liquidation Trustee and any employees, professionals or consultants employed or retained by the Liquidation Trustee that seek compensation or reimbursement of reasonable out-of-pocket expenses shall prepare and provide to the Liquidation Trust Advisory Board a monthly billing statements (or billing statements at such other intervals as the Liquidation Trust Advisory Board may direct (each, a "Fee Statement")). The Liquidation Trustee and professionals, employees and consultants employed by it shall not be required to comply with the U.S. Trustee Fee Guidelines or to submit copies of Fee Statements to the U.S. Trustee.

2.5 Liquidation Trust Expense Reserve. Subject to Section 9.2 herein and the provisions of the Plan, Confirmation Order and the CCAA Approval Order, the Debtors shall establish and fund the Liquidation Trust Expense Reserve to hold the amount of Cash specified in the Plan Supplement and the Liquidation Trustee shall hold and administer the Litigation Trust's share of the Liquidation Trust Expense Reserve on behalf of this Liquidation Trust. Pursuant to the Plan and the Cost Sharing Agreement, funds in the Liquidation Trust Reserve Account may be used to pay (i) Wind-Down Expenses of the Liquidation Trust and the Reorganized Debtors incurred after the Effective Date and (ii) fees, costs and expenses incurred by the Liquidation Trust and the Reorganized Debtors related to the administration of such Liquidation Trust or the Liquidation Trust Assets or which the Liquidation Trustee is otherwise authorized to pay hereunder or under the Plan or the Cost-Sharing Agreement in its capacity as Liquidation Trustee or Litigation Representative. The initial amount of the Liquidation Trust Expense Reserve shall be as set forth in the Confirmation Order, and may be adjusted up or down from time to time by the Liquidation Trustee in its judgment, subject to Section 3.5 herein. Such reserve may be replenished from amounts received in respect to Retained Causes of Action or otherwise as provided under the Plan or the Plan Supplement.[1]

2.6 Investments and Bonds. Subject to Section 2.3 herein, pending distribution of the Liquidation Trust Assets in accordance with the Plan and this Agreement, the Liquidation Trustee may hold the Liquidation Trust Assets (including the income and proceeds therefrom), as Cash or invest the Liquidation Trust Assets (including the income and proceeds therefrom) only in Government securities as defined in Section 2(a)(16) of the Investment Company Act of 1940, as amended (the "**ICA**"), unless, the Liquidation Trustee determines, with the advice of counsel, that an investment of Liquidation Trust Assets in any other investment would not cause the Liquidation Trust to become an Investment Company as defined in Section 3 under the ICA.

2.7 Replacement of the Liquidation Trustee. The Liquidation Trustee may resign at any time upon thirty (30) days' written notice delivered to the Members of the Liquidation Trust Advisory Board, with copy to the Monitor and copy of such notice being filed on the docket of the Bankruptcy Court and Canadian Court (without the requirement of service of such filed notice on any party), provided that such resignation shall only become effective up on the appointment of a permanent or interim successor Liquidation Trustee. The Liquidation Trustee may be removed by either (i) a unanimous vote of the full Liquidation Trust Advisory Board, consisting of all Members excluding the Liquidation Trustee, or (ii) an order of the Bankruptcy

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1 As of the date of the filing of the initial Plan Supplement, the proposed Liquidation Trustee estimates that the Liquidation Trust Expense Reserve will be set at [$6,000,000] based on fee and expense estimates it has thus far received from various professionals and service providers. The proposed Liquidation Trustee shall continue to review and if necessary, refine the amount of the estimated reserve through the Confirmation Hearing. A final estimate for the amount of this reserve will be filed with the Bankruptcy Court prior to the Confirmation Hearing.

Court upon motion and after notice and a hearing, which motion may be brought by any party in interest (including any Members of the Liquidation Trust Advisory Board). In the event of the death, medical incapacity, dissolution, resignation or removal of the Liquidation Trustee, the successor Liquidation Trustee shall be appointed by the Liquidation Trust Advisory Board. Upon its appointment, the successor Liquidation Trustee, without any further act, shall become fully vested with all of the rights, powers, duties and obligations of its predecessor (including, but not limited to, as Litigation Representative) and all responsibilities of the predecessor Liquidation Trustee relating to the Liquidation Trust and as Litigation Representative shall be terminated; provided, however, that the original Liquidation Trustee's right to indemnification shall survive termination and is subject to Sections 5.2 and 5.3 hereof. In the event the Liquidation Trustee's appointment terminates by reason of termination without cause, death or disability (meaning herein, incapacity resulting in the inability to perform services for three consecutive months or in the aggregate of 180 days during any 12 month period), amounts owed to the original Liquidation Trustee (or its estate or representative), on the one hand, and any successor Liquidation Trustee, on the other, shall be allocated between them to reflect their respective periods of service; provided, however, that the original Liquidation Trustee shall be compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced, and shall be paid the portion of the incentive fee compensation, if any, that may be earned, or which would be earned as a result of claims objections in progress at the time of its termination. In the event of the removal or resignation of any Liquidation Trustee with cause, such Liquidation Trustee (or its estate or representatives) shall be immediately compensated for all reasonable fees and expenses accrued through the effective date of termination, whether or not previously invoiced; provided, however, that the Liquidation Trustee shall not be entitled to the incentive fee compensation, if any. The provisions of Article V shall survive the resignation or removal of any Liquidation Trustee.

2.8 Liquidation Trust Continuance. The death, medical incapacity, dissolution, resignation, or removal of the Liquidation Trustee shall not terminate the Liquidation Trust or revoke any existing agency created by the Liquidation Trustee pursuant to this Agreement or invalidate any action theretofore taken by the Liquidation Trustee, and the successor Liquidation Trustee agrees that the provisions of this Agreement shall be binding upon and inure to the benefit of the successor Liquidation Trustee and all its successors or assigns.

2.9 Relationship. This Agreement is intended to create a trust and a trust relationship and to be governed and construed in all respects as a trust. The Liquidation Trust is not intended to be, and should not be deemed to be, or be treated as, a general partnership, limited partnership, joint venture, corporation, joint stock company or association, nor shall the Liquidation Trustee, or the LT Holders, the Beneficial Holders, or any of them, for any purpose be, or be deemed to be or treated anyway whatsoever as, liable or responsible hereunder as partners or joint venturers, and the respective rights of all parties will be limited to those conferred upon each of them by this Agreement in accordance with the Plan.

2.10 Appointment as Representative. Pursuant to Section 1123(b)(3) of the Bankruptcy Code, the Liquidation Trustee shall be the duly appointed representative of the Debtors' Estates for the purposes described herein and under the Plan, and, as such, to the extent provided therein, the Liquidation Trustee succeeds to the rights and powers of the Debtors' Estates and/or a trustee in bankruptcy with respect to the prosecution of the Retained Causes of

Action for the joint benefit of the LT Holders and shareholders in the Reorganized Parent Debtor. To the extent that any Retained Causes of Action cannot be transferred to the Liquidation Trust because of a restriction of transferability under applicable non-bankruptcy law that is not superseded or preempted by Section 1123 of the Bankruptcy Code or any other provision of the Bankruptcy Code, such Liquidation Trust Assets shall be deemed to have been retained by the Reorganized Debtors in a manner consistent with Section 4.4.

2.11 Relationship to the Plan. The principal purpose of this Agreement is to aid in the implementation of the Plan, the Confirmation Order and the CCAA Approval Order and therefore this Agreement incorporates the provisions of the Plan, the Confirmation Order and the CCAA Approval Order by reference. To that end, the Liquidation Trustee, in its capacity as such and as Litigation Representative, shall have full power and authority to take any action consistent with the purpose and provisions of the Plan, to seek any orders from the Bankruptcy Court and/or the Canadian Court in furtherance of implementation of the Plan that directly affects the interest of the Liquidation Trust, and to seek any orders from the Bankruptcy Court and/or the Canadian Court solely in furtherance of this Agreement. If any provisions of this Agreement are found to be inconsistent with the provisions of the Plan, the Confirmation Order or the CCAA Approval Order, each such document has the controlling affect in the following rank order: (a) the Confirmation Order and the CCAA Approval Order; (b) the Plan; and (c) this Agreement.

2.12 Cooperation Provision. Upon the Effective Date, the Debtors agree to cooperate with the Liquidation Trust and the Liquidation Trustee, as well as the Reorganized Debtors in accordance with the Plan, including, but not limited to, as contemplated or required by Section (V)(E)(11) or any other applicable provisions of the Plan or this Liquidation Trust Agreement. Without limitation of the generality of the foregoing, the Liquidation Trustee may, in its discretion, enter into a transition services agreement or similar agreement or arrangement with the Reorganized Debtors in connection with the fulfillment of the Liquidation Trustee's duties (including without limitation his duties as Litigation Representative).

2.13 Powers of Trustee. Without limiting the generality of the foregoing, nothing in this Agreement shall be deemed to prevent the Liquidation Trustee from taking or refraining to take any action on behalf of the Liquidation Trust that, based upon the advice of counsel or other professionals, the Liquidation Trustee determines it is obligated to take or to refrain from taking in the performance of any duty that the Liquidation Trustee may owe to the LT Holders or the Beneficial Holders, or, in its capacity as Litigation Representative, to the Reorganized Debtors or the Reorganized Parent Debtor's shareholders, under the Plan, Confirmation Order, the CCAA Approval Order or this Agreement.

2.14 Additional Provisions Regarding the Liquidation Trustee. The Liquidation Trustee may not be a holder of a Beneficial Trust Interest or related or subordinate (within the meaning of Section 672(c) of the Internal Revenue Code) to any LT Holder or Beneficial Holder. The Liquidation Trustee shall at all times be a United States Person.

2.15 Liability of Trustee.

(a) No provision of this Agreement shall require the Liquidation Trustee to expend or risk its personal funds or otherwise incur any liability, financial or otherwise, in the performance of its rights, powers or obligations hereunder.

(b) The Liquidation Trustee shall not be personally liable for the validity or sufficiency of this Agreement or for the due execution of this Agreement by the parties hereto.

(c) The Liquidation Trustee acts solely as Liquidation Trustee hereunder and as Litigation Representative and not in its individual capacity, and all persons having any claims against the Liquidation Trustee by reason of the transactions contemplated by this Agreement or the Plan (including, but not limited to, in its capacity as Litigation Representative) shall have recourse solely against the Liquidation Trust Assets (including the income and proceeds therefrom) for payment or satisfaction thereof.

(d) The Liquidation Trustee shall not be personally liable for any representation, warranty, covenant, agreement or indebtedness of this Liquidation Trust.

ARTICLE III
LIQUIDATION TRUST ADVISORY BOARD

3.1 Liquidation Trust Advisory Board. Should any of the Members resign from the Liquidation Trust Advisory Board, a vote to seat a replacement of such Member shall be scheduled (upon reasonable notice to the remaining Members) to be held not later than the tenth Business Day following such resignation. Each remaining Member is permitted to nominate one individual for consideration as a replacement Member with respect to the vote to be held with respect to each Member vacancy to be filled, provided that any individual under consideration as a replacement Member must be a United States Person, provided however, that a vacancy in the position of a Member who was a Canadian person may be filled by a Canadian person, unless otherwise determined by the Liquidation Trustee for good reason. A replacement Member shall be selected by a majority of the remaining Members who choose to vote and, if such remaining voting Members are unable to reach a majority, the replacement Member shall be selected by the Liquidation Trustee from among the pool of nominees provided by the remaining Members; provided, however, that no replacement Member need be selected in the event the remaining Members and the Liquidation Trustee determine that a replacement is not necessary for the efficient administration of the Liquidation Trust Assets (including the income and proceeds therefrom) or no replacement is willing to serve, in which case the remaining members of the Liquidation Trust Advisory Board shall constitute the Liquidation Trust Advisory Board. If no Members of the Liquidation Trust Advisory Board remain after a resignation, the Liquidation Trustee shall select a replacement Member or Members.

3.2 Reports to Liquidation Trust Advisory Board. Notwithstanding any other provision of this Agreement, the Liquidation Trustee shall report to the Liquidation Trust Advisory Board on a regular basis, not less than two (2) times per year (or more frequently if requested by the Liquidation Trust Advisory Board), which reports shall include such matters and information as may be reasonably requested by the Liquidation Trust Advisory Board. The Liquidation Trust Advisory Board shall keep all such information strictly confidential, except to the extent that the Liquidation Trust Advisory Board deems it reasonably necessary to disclose such information to the Bankruptcy Court or the Canadian Court (in which case, a good faith