



FTI Consulting
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September 14, 2016

To: Whom It May Concern

RE: Golf Town Canada Inc., Golf Town Canada Holdings Inc., and Golf Town GP II Inc. (collectively, “Golf Town”)

On September 14, 2016, Golf Town sought and obtained an initial order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The Initial Order provides, among other things, a stay of proceedings until October 14, 2016 which may be extended by the Court from time to time (the “**Stay Period**”). The protections and authorizations provided by the Initial Order were also extended to Golf Town Operating Limited Partnership and Golfsmith International Holdings LP (the “**Limited Partnerships**”) and together with Golf Town, the “**Golf Town Entities**”). Pursuant to the Initial Order, FTI Consulting Canada Inc. was appointed as monitor (the “**Monitor**”) of the Golf Town Entities while the Golf Town Entities continue their operations within the proceedings.

A copy of the Initial Order and copies of the materials filed in respect of the CCAA proceedings may be obtained on the Monitor’s website at <http://cfcanada.fticonsulting.com/GolfTown> or on request from the Monitor by calling +1(855)718-5255 or by emailing golftown@fticonsulting.com.

The Golf Town Entities have entered into a definitive asset purchase agreement for the going concern sale of the majority of the business and assets of the Golf Town Entities to an entity to be controlled by a purchaser group led by Fairfax Financial Holdings Limited and certain investment funds managed by CI Investments Inc. The Golf Town Entities will be seeking Court approval of that transaction on September 30, 2016. Related Court materials will be made available on the Monitor’s website.

Pursuant to the Initial Order, all persons having oral or written agreements with the Golf Town Entities or statutory or regulatory mandates for the supply of goods and/or services are restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Golf Town Entities, provided that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the Golf Town Entities in accordance with the normal payment practices of the Golf



Town Entities or such other practices as may be agreed upon by the supplier or service provider and each of the Golf Town Entities and the Monitor, or as may be ordered by the Court. The Initial Order prohibits the Golf Town Entities from making payment of amounts relating to the supply of goods or services provided to the Golf Town Entities prior to September 14, 2016, other than certain payments as specified in the Initial Order.

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

A hearing for a comeback motion (the “**Comeback Hearing**”) in respect of the Initial Order has been scheduled for September 30, 2016. At the Comeback Hearing, any interested party who wishes to amend or vary the Initial Order will be entitled to appear or bring a motion before the Court on notice to affected parties as set out in the Initial Order. Related Court materials and updates as to the date and time of the Comeback Hearing, if any, will be made available on the Monitor’s website. If you have questions or wish to bring a motion or seek relief at the Comeback Hearing, you can contact the Monitor at the contact information provided above and below.

If you have any questions regarding the foregoing or require further information, please consult the Monitor’s website at <http://cfcanada.fticonsulting.com/GolfTown> or contact the Monitor by calling +1 (855) 718-5255 or by emailing golftown@fticonsulting.com.