



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**THE HONOURABLE
JUSTICE CONWAY**

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**TUESDAY, THE 12TH
DAY OF DECEMBER, 2017**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GOLF TOWN CANADA HOLDINGS INC., GOLF TOWN CANADA INC. AND
GOLF TOWN GP II INC.**

Applicants

STAY EXTENSION ORDER

THIS MOTION made by Golf Town Canada Holdings Inc., Golf Town Canada Inc. (“**GT Canada**”), Golf Town GP II Inc., Golfsmith International Holdings LP and Golf Town Operating Limited Partnership (collectively, the “**Golf Town Entities**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), for an Order extending the Stay Period until March 30, 2018 and expanding the powers of the Monitor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Brian Cejka sworn December 8, 2017 and the Seventh Report of FTI Consulting Canada Inc. as the Court-appointed Monitor of the Golf Town Entities (the “**Monitor**”) dated December 8, 2017 and on hearing the submissions of counsel for each of the Golf Town Entities, the Monitor and such other counsel as were present and wished to be heard, and on reading the affidavit of service, filed:

SERVICE

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

EXTENSION OF THE STAY OF PROCEEDINGS

2. **THIS COURT ORDERS** that the Stay Period, as such term is defined in and used throughout the Initial Order of this Court dated September 14, 2016 (as amended, the “**Initial Order**”) is hereby extended to and including 11:59 p.m. on March 30, 2018 and that all other terms of the Initial Order shall remain in full force and effect, unamended, except as may be required to give effect to this paragraph or as otherwise provided in this Order.

MONITOR POWERS AND PROTECTIONS

3. **THIS COURT ORDERS** that in addition to its prescribed rights under the CCAA and the powers granted by the Initial Order and any other Order in these proceedings, the Monitor is empowered and authorized, but not obligated, from and after the date of this Order, to take such actions, execute such documents and enter into such agreements and arrangements, in the name and on behalf of the Golf Town Entities, as the Monitor, in consultation with the chief restructuring officer and counsel to the Golf Town Entities, considers necessary or desirable to facilitate the administration and winding up of the Golf Town Entities’ estates and the completion of these proceedings, including, without limitation, to:

- (a) enable the Golf Town Entities to comply with the Initial Order and any other Order granted in these proceedings;
- (b) facilitate or assist the Golf Town Entities with the cash flow, accounting, tax and financial reporting functions of the Golf Town Entities, based solely upon the information provided by the Golf Town Entities and on the basis that the Monitor shall incur no liability or obligation to any person with respect to such reporting functions; and
- (c) claim any and all tax or other refunds, including refunds of harmonized sales taxes, payable to the Golf Town Entities.

4. **THIS COURT ORDERS** that the Monitor is authorized to engage such persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order or any other Order granted in these proceedings.


5. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA, the Initial Order and any other Order made in these CCAA proceedings, the Monitor shall not be liable for any act or omission on the part of the Monitor pertaining to the discharge of its duties under this Order, save and except for any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Monitor. Nothing in this Order shall derogate from the protections afforded to the Monitor by the CCAA, any other federal or provincial applicable law, the Initial Order or any other Order made in these CCAA proceedings.

6. **THIS COURT ORDERS** that the Golf Town Entities shall remain in possession and control of the Property and the Business (each as defined in the Initial Order) and that the Monitor shall not take or be deemed to have taken possession of the Property or Business or any part thereof.

7. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as a receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of the Golf Town Entities within the meaning of any relevant legislation, including section 159(3) of the *Income Tax Act* (Canada), as amended (the "ITA"), or a person subject to section 150(3) of the ITA and that the Monitor shall have no obligation to prepare or file any tax returns of the Golf Town Entities with any taxing authority.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or in any other foreign jurisdiction, to give effect to this Order and to assist the Golf Town Entities and the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Golf Town Entities and the Monitor and their respective agents as may be necessary or desirable to give effect to this Order, or to

assist the Golf Town Entities and the Monitor and their respective agents in carrying out the terms of this Order.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 12 2017

PER / PAR:



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

Court File No. CV-16-11527-00CL

Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**STAY EXTENSION ORDER
(December 12, 2017)**

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