

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

*In re:*

G.I. SPORTZ INC., *et al.*,<sup>1</sup>

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 20-12610 (CSS)

(Jointly Administered)

Docket Ref. No. 21

**ORDER, PURSUANT TO SECTIONS 105(a), 363, 1501, AND 1521 OF  
THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002, 6004, AND 9014,  
(I) RECOGNIZING AND ENFORCING THE SALE APPROVAL AND VESTING  
ORDER; (II) AUTHORIZING THE SALE OF ALL OR SUBSTANTIALLY ALL OF  
THE G.I. SPORTZ DEBTORS' ASSETS FREE AND CLEAR OF ANY AND ALL LIENS,  
CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; AND (III) GRANTING  
RELATED RELIEF**

Upon consideration of the motion (the “**Motion**”)<sup>2</sup> of KSV Restructuring Inc., in its capacity as the court-appointed receiver and authorized foreign representative (“**KSV**” or the “**Receiver**”) for the above-captioned debtors (collectively, the “**G.I. Sportz Debtors**”) in the proceeding (the “**Canadian Proceeding**”) commenced under Canada’s *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3 (as amended, the “**BIA**”), and pending before the Superior Court (Commercial Division) of the Province of Québec, District of Montréal (the “**Québec Court**”), for the entry of an order, pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure

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<sup>1</sup> The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, follow in parentheses: G.I. Sportz Inc. (8551), Tippmann US Holdco Inc. (5037), GI Sportz Direct LLC (5359), Tippmann Sports, LLC (0385), Mission Less Lethal LLC (4604), and Tippmann Finance LLC (n/a). The G.I. Sportz Debtors’ executive headquarters is located at 6000 Kieran Street, St. Laurent, Québec.

<sup>2</sup> Capitalized terms used, but not otherwise defined herein, have the meaning given to them in the Motion.

of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”):

(a) recognizing and enforcing the Approval and Vesting Order, which was entered by the Québec Court on November 12, 2020, and pursuant to which the Québec Court authorized the sale and transfer (the “**Sale**”) by the Receiver of the G.I. Sportz Debtors’ right, title, and interest in and to the assets (collectively, the “**Purchased Assets**”) described in that certain *Asset Purchase Agreement* (the “**Purchase Agreement**”), between the Receiver and Kore Outdoor Inc. and Kore Outdoor (US) Inc. (together “**Kore**” or the “**Purchaser**”), an affiliate of Fulcrum Capital Partners (Collector) V, LP (“**Fulcrum**”), the majority shareholder of the G.I. Sportz Debtors and an affiliate of GIS Debt Acquisition Partnership (the “**Partnership**”) dated October 27, 2020 (a copy of which is attached to the Motion as **Exhibit B**), free and clear of all claims, liabilities, and encumbrances, except as set forth in the Purchase Agreement and the Approval and Vesting Order; (b) authorizing, pursuant to section 363 of the Bankruptcy Code, the Sale of the G.I. Sportz Debtors’ right, title, and interest in and to the Purchased Assets, free and clear of all Interests (as defined herein), except as otherwise provided in the Purchase Agreement and the Approval and Vesting Order; and (c) granting certain related relief; and upon the *Report of KSV Restructuring Inc. as Receiver of G.I. Sportz Inc., Tippmann US Holdco Inc., GI Sportz Direct LLC, Tippmann Finance LLC, Tippman Sports, LLC and Mission Less Lethal LLC* (the “**Sale Report**”), and subject to the order of this Court limiting notice in these Chapter 15 Cases, all parties in interest having been heard, or having had the opportunity to be heard, regarding the recognition and enforcement of the Approval and Vesting Order and the approval of the Purchase Agreement and transactions contemplated thereby; and the Québec Court having entered the Approval and Vesting Order; and this Court having reviewed and considered the Motion, and the arguments of counsel made, and the evidence adduced, at a hearing before this

Court (the “**Sale Hearing**”); and upon the record of the Sale Hearing and the Chapter 15 Cases, and after due deliberation thereon, and good cause appearing therefor, it is hereby

**FOUND AND DETERMINED THAT:**

A. The Québec Court has duly entered the Receivership Order appointing KSV as Receiver and as Foreign Representative to the G.I. Spartz Debtors and the Approval and Vesting Order: (i) approving and authorizing the Receiver’s execution of the Purchase Agreement and the consummation of the Sale of the Purchased Assets free and clear of all Interests; and (ii) requesting aid and recognition from this Court to give effect to the Approval and Vesting Order.

B. This Court has jurisdiction and authority to hear and determine the Motion pursuant to 28 U.S.C. §§ 1334 and 157(b), section 1501 of the Bankruptcy Code, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012. Venue of these Chapter 15 Cases and the Motion in this Court and this District is proper under 28 U.S.C. § 1410(3) because placing venue in this District will be consistent with the interests of justice and convenience for the G.I. Spartz Debtors, having regard to the relief sought by the Receiver.

C. Based on the affidavits of service filed with, and representations made to, this Court: (i) notice of the Motion, the Sale Hearing, and the Sale was proper, timely, adequate, and sufficient under the circumstances of these Chapter 15 Cases and complied with the various applicable requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules (or such compliance is hereby waived); and (ii) under the circumstances, no other or further notice of the Motion, the Sale Hearing, the Sale, or the entry of this Order is necessary or shall be required.

D. Under the circumstances of these Chapter 15 Cases, the Receiver provided a reasonable opportunity to object and be heard with respect to the Sale, the Motion, and the relief requested therein to the necessary parties in interest, including the following (and subject to any orders of this Court otherwise limiting notice in these Chapter 15 Cases): (i) all known creditors of the G.I. Sportz Debtors or holders of Interests; (ii) all parties to litigation pending in the United States in which the G.I. Sportz Debtors are a party as of the Petition Date; (iii) the Office of the United States Trustee for the District of Delaware; (iv) the United States Attorney's Office for the District of Delaware; (v) the Internal Revenue Service; (vi) the United States Department of Justice; (vii) counsel for the Purchaser; (viii) counsel to Fulcrum; (ix) all persons or entities known to have liens on the Purchased Assets; (x) all contract counterparties; and (xi) all other persons to whom notice is required pursuant to this Court's *Order Specifying Form and Manner of Service of Notice* [Docket No. 16].

E. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).

F. The relief granted herein is necessary and appropriate, is in the interest of the public, promotes international comity, is consistent with the public policy of the United States, is warranted pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of the Bankruptcy Code, and will not cause any hardship to any parties in interest that is not outweighed by the benefits of the relief granted.

G. Based on information contained in the Sale Report, (i) the G.I. Sportz Debtors, conducted a prepetition marketing process to solicit interest to acquire the G.I. Sportz Debtors' business and assets; (ii) the Partnership acquired in September 2020 the senior ranking secured debt owed by the G.I. Sportz Debtors to Bank of Montreal at a significant discount to the

amount owing at the time; (iii) the liquidation value of the G.I. Sportz Debtors' business and assets is significantly less than the obligations presently owing by the G.I. Sportz Debtors to the Partnership; and (iv) the G.I. Sportz Debtors have incurred significant operating losses since the beginning of 2018. Based on the foregoing factors, the Québec Court found that there are sufficient and appropriate bases to support approval of the Sale pursuant to the terms of the Purchase Agreement and issued an approval and vesting order approving the Sale.

H. The Receiver has recommended the Sale in accordance with the Purchase Agreement. The Purchaser is able and has agreed to assume and perform the obligations of the G.I. Sportz Debtors in accordance with the Purchase Agreement, and it is appropriate that the Purchased Assets, be transferred, assigned, and vested in the Purchaser.

I. The consideration provided by the Purchaser for the Purchased Assets is the highest or otherwise best offer and will provide a greater recovery than would be provided by any other available alternative.

J. The Purchase Price constitutes fair consideration and reasonably equivalent value for the Purchased Assets under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, Uniform Voidable Transactions Act, and the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

K. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the Sale.

L. Time is of the essence in consummating the Sale. To maximize the value of the Purchased Assets, it is essential that the Sale occur promptly. Accordingly, there is cause to waive the stay that would otherwise be applicable under Bankruptcy Rule 6004.

M. The negotiations between the Receiver and the Purchaser over the terms of the Purchase Agreement were conducted at arm's-length fairly, in good faith, and without collusion, and thus the Purchaser has acted in good faith within the meaning of section 363(m) of the Bankruptcy Code, and neither the Receiver nor the Purchaser engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

N. The Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding present or future creditors of the G.I. Sportz Debtors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

O. The Receiver may sell the Purchased Assets free and clear of all Interests (as defined below), to the extent provided in the Purchase Agreement, the Approval and Vesting Order, and this Order, because, with respect to each creditor asserting an Interest, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests who did not object or who withdrew their objections to the Sale or the Motion are deemed to have consented to the Motion and Sale pursuant to section 363(f)(2) of the Bankruptcy Code.

P. The Purchaser would not have entered into the Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the G.I. Sportz Debtors, their creditors, and other parties in interest, including employees, if either: (i) the sale of the Purchased Assets to the Purchaser was not free and clear of all Interests, except as otherwise provided in the Purchase Agreement and the Approval and Vesting Order; or (ii) the Purchaser would, or in the future could, be liable for any of such Interests or any claims against

the G.I. Sportz Debtors based upon successor or vicarious liability or otherwise, except as provided in the Purchase Agreement.

Q. A sale of the Purchased Assets other than one free and clear of all Interests, except as otherwise provided in the Purchase Agreement, would yield substantially less value than the Sale; thus, the Sale free and clear of all Interests, in addition to all of the relief provided herein, is in the best interests of the G.I. Sportz Debtors, their creditors, and other parties in interest.

R. All findings of fact and conclusions of law announced by this Court at the Sale Hearing are incorporated herein.

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED, as set forth herein.
2. The Approval and Vesting Order, a copy of which is annexed hereto as **Exhibit 1**, is recognized in full and given full force and effect in the United States.
3. The Sale pursuant to the terms of the Purchase Agreement and the transfer and assignment of the Purchased Assets located within the United States are approved and authorized pursuant to sections 363 and 1521 of the Bankruptcy Code.
4. All objections to the entry of this Order that have not been withdrawn, waived, settled, or otherwise resolved pursuant to the terms hereof, are denied and overruled on the merits, with prejudice.
5. Pursuant to sections 105, 363, and 1521 of the Bankruptcy Code, and to the extent permitted by the Approval and Vesting Order, each of the G.I. Sportz Debtors, the Purchaser, and the Receiver are authorized to take any and all actions necessary or appropriate to: (a) consummate the Sale of the Purchased Assets to the Purchaser in accordance with the

Purchase Agreement, the Approval and Vesting Order, and this Order; and (b) perform, consummate, implement, and close fully the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale, including the *Transition Services Agreement* between the Receiver and the Purchaser, in substantially the form attached thereto (the “**Transition Services Agreement**”).

#### **Transfer of the Purchased Assets**

6. Pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, and as provided for in the Approval and Vesting Order, upon the delivery of a Receiver’s certificate to the Purchaser, substantially in the form attached as **Schedule A** to the Approval and Vesting Order (the “**Receiver’s Certificate**”), all of the right, title, and interest in and to the Purchased Assets identified and described in the Purchase Agreement, shall vest in the Purchaser, without further instrument of transfer or assignment in the Purchaser and shall be a legal, valid, and effective transfer of the Purchased Assets free and clear of each of the following (collectively, the “**Interests**”): any and all security interests (whether contractual, statutory or otherwise), mortgages, pledges, options, warrants, trusts, or deemed trusts (whether contractual, statutory, or otherwise), encumbrances, obligations, liabilities, demands, guarantees, restrictions, contractual commitments, rights, including, without limitation, rights of first refusal and rights of set-off, liens, executions, levies, penalties, charges, or other financial or monetary claims, adverse claims, or rights of use, puts or forced sales provisions exercisable as a consequence of or arising from the closing of the Sale, whether arising prior to or subsequent to the commencement of the Canadian Proceeding and these Chapter 15 Cases, whether or not they have attached or been perfected, registered, or filed and whether secured, unsecured, legal, equitable, possessory or otherwise, actual or threatened civil, criminal administrative, regulatory, arbitral or investigative



inquiry, action, complaint, suit, investigation, dispute, petition or proceeding by or before any governmental authority or person at law or in equity whether imposed by agreement, understanding, law, equity, or otherwise, and any claim or demand resulting therefrom including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order and/or any subsequent charges created by the Québec Court; (b) all charges, security interests, or claims evidenced by any personal property registry system in the United States; and (c) excluded assets as set forth in Section 2.2 of the Purchase Agreement, excluding however, the permitted encumbrances, easements, and restrictive covenants listed on Schedule B to the Approval and Vesting Order (the “**Permitted Encumbrances**”).

7. Pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, and as provided for in the Approval and Vesting Code, upon the delivery of a Receiver’s certificate to the Purchaser, substantially in the form attached as **Schedule B** to the Approval and Vesting Order (the “**Designated Assets Receiver’s Certificate**”), all rights, title, interest in and to the Excluded Assets so designated by the Purchaser (the “**Designated Assets**”) as set out on such Designated Assets Receiver’s Certificate shall vest absolutely and exclusively in and with the Purchaser, free and clear from any and all claims, liabilities (direct, indirect, absolute, or contingent), obligations, interest, prior claims, security interests (whether contractual, statutory, or otherwise), liens, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favor of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed, and whether secured, unsecured, or otherwise (each, an “**Encumbrance**” and collectively, the “**Encumbrances**”), including without limiting the

generality of the foregoing all charges, security interests, or charges evidenced by registration, publication, or filing pursuant to the Civil Code of Québec, or any other applicable legislation providing for a security interest in personal or movable property, excluding, however, the Permitted Encumbrances. For the avoidance of doubt, all of the Encumbrances affecting or relating to the Designated Assets, other than the Permitted Encumbrances, shall be expunged and discharged as against the Designated Assets, in each case effective as of the applicable time and date of the Designated Assets Receiver's Certificate.

8. Except as otherwise provided in the Purchase Agreement, the Approval and Vesting Order, and/or this Order, pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, upon the time of the closing of the sale (the "**Time of Closing**"): (a) the Purchased Assets shall be sold, transferred, or otherwise conveyed to the Purchaser free and clear of all Interests; (b) no holder of an Interest against the G.I. Sportz Debtors shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Interests; and (c) the Purchase Agreement, the Sale, and any instruments contemplated thereby shall be enforceable against and binding upon, and not subject to rejection or avoidance by, the G.I. Sportz Debtors or any successor thereof. All persons or entities holding Interests in, to, or against the Purchased Assets are forever barred from asserting such Interests against the Purchaser, its affiliates, successors, and assigns, and current affiliates, officers, directors, employees, managers, partners, members, financial advisors, attorneys, agents, and representatives or such Purchased Assets after the Time of Closing.

9. Except as otherwise provided in the Purchase Agreement, any and all of the Purchased Assets in the possession or control of any person or entity, including, without limitation, any vendor, supplier, or employee of the G.I. Sportz Debtors shall be transferred to

the Purchaser free and clear of all Interests, and, upon reasonable request of the Purchaser, all such persons or entities are directed to surrender possession of the Purchased Assets to the Purchaser at the Time of Closing.

10. To the extent permissible under the Approval and Vesting Order, the Purchaser, shall not be deemed, as a result of any action taken in connection with the Sale or the Purchaser's post-closing use or operation of the Purchased Assets, to: (a) be a successor to the G.I. Sportz Debtors; (b) have, *de facto* or otherwise, merged or consolidated with or into the G.I. Sportz Debtors; or (c) be a continuation or substantial continuation of the G.I. Sportz Debtors or any enterprise of the G.I. Sportz Debtors. Except for the Assumed Liabilities, the transfer of the Purchased Assets to the Purchaser under the Purchase Agreement, the Approval and Vesting Order, and this Order shall not result in the Purchaser having any liability or responsibility whatsoever: (y) for any Interest against the G.I. Sportz Debtors; or (z) to the G.I. Sportz Debtors, except as is expressly set forth in the Purchase Agreement, the Transition Services Agreement, the Vesting Order, this Order, and/or any other order of the Québec Court. Without limiting the generality of the foregoing, except as otherwise provided in the Purchase Agreement, the Approval and Vesting Order, this Order, and/or any other order of the Québec Court, the conveyance of the G.I. Sportz Debtors' rights, title, and interest in the Purchased Assets to the Purchaser under the Purchase Agreement shall not result in the Purchaser having any liability or responsibility whatsoever for any: (a) Interest, whether at law or in equity, whether by payment, setoff or otherwise, directly or indirectly; (b) obligation under any of the G.I. Sportz Debtors' labor or employment agreements, except as shall be otherwise provided for by the Transition Services Agreement; (c) of the G.I. Sportz Debtors' mortgages, deeds of trust, and security interests; (d) intercompany loans and receivables between the G.I. Sportz Debtors and any non-

debtor subsidiary or affiliate; (e) of the G.I. Sportz Debtors' pension, welfare, compensation, or other employee benefit plans, agreements, practices, and programs; (f) of the G.I. Sportz Debtors' other employee, workers' compensation, occupational disease, unemployment, or temporary disability related claims, including, without limitation, claims that might arise under or pursuant to: (i) the Employee Retirement Income Security Act of 1974, as amended, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Worker Adjustment and Retraining Act of 1988; (vii) the Age Discrimination and Employee Act of 1976 and the Age Discrimination in Employment Act, as amended, (viii) the Americans with Disabilities Act of 1990; (ix) the Consolidated Omnibus Budget Reconciliation Act of 1985, (x) state discrimination laws, (xi) state unemployment compensation laws or any other similar state laws, (xii) or any other state or federal benefits or claims relating to any employment with the G.I. Sportz Debtors or any of their predecessors; or (g) successor or vicarious liabilities of any kind or character, including, but not limited to, federal, state, or other tax liabilities, U.S. or foreign pension liabilities, or liabilities based on any theory of antitrust, environmental, labor law, alter ego, veil piercing, continuity of enterprise, mere continuation, product line, de facto merger or substantial continuity, whether known or unknown, whether legal or equitable, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, whether arising prior to or subsequent to the commencement of these Chapter 15 Cases, whether imposed by agreement, understanding, law, equity, or otherwise with respect to any of the G.I. Sportz Debtors or any obligations of the G.I. Sportz Debtors, including, but not limited to, in the case of liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the G.I. Sportz Debtors' business prior to the Time of

Closing or any taxes in connection with, or in any way relating to the cancellation of debt of the G.I. Sportz Debtors or their affiliates.

11. The entry of this Order: (a) is and shall be effective as a determination that, upon the Time of Closing, except as expressly provided in the Purchase Agreement, the Approval and Vesting Order, or this Order, all Interests existing as to the Purchased Assets prior to the Time of Closing, have been released, extinguished, expunged, and discharged as against the Purchased Assets; and (b) shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, recorders of fees, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities, who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments that reflect that the Purchaser is the assignee of the Purchased Assets free and clear of all Interests, except as expressly provided in the Purchase Agreement, the Approval and Vesting Order, or this Order.

12. Each and every federal, state, and local governmental agency or department is authorized to accept any and all documents and instruments necessary and appropriate to consummate the transaction contemplated by the Purchase Agreement.

13. Except with respect to enforcing the terms of the Purchase Agreement, the Approval and Vesting Order, or this Order, absent a stay pending appeal, no person shall take any action to prevent or enjoin or otherwise interfere with consummation of the transaction contemplated in or by the Purchase Agreement.

14. Effective as of the Time of Closing, the Approval and Vesting Order, and this Order shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Purchased Assets.

**Additional Provisions**

15. The Purchaser, as a purchaser in good faith within the meaning of section 363(m) of the Bankruptcy Code, shall be entitled to all of the protections of section 363(m) of the Bankruptcy Code. The reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale unless, prior to the Closing Date, such authorization is duly stayed pending appeal.

16. The terms and provisions of the Purchase Agreement and this Order shall be binding on and inure to the benefit of the G.I. Sportz Debtors, the Purchaser, the creditors of the G.I. Sportz Debtors, and all other parties in interest, and any successors of the G.I. Sportz Debtors, the Purchaser, and the G.I. Sportz Debtors' creditors, including any trustee(s), examiner(s), or receiver(s) appointed in these cases or under any chapter of the Bankruptcy Code or any other law, and all such terms and provisions shall likewise be binding on such trustee(s), examiner(s), or receiver(s) and shall not be subject to rejection or avoidance by the G.I. Sportz Debtors, their creditors, or any trustee(s), examiner(s), or receiver(s).

17. Subject to the terms and conditions of the Approval and Vesting Order, and the Purchase Agreement, provisions of the Purchase Agreement and any related agreements may be waived, modified, amended, or supplemented by agreement among the G.I. Sportz Debtors and the Purchaser in a writing signed by the G.I. Sportz Debtors and the Purchaser without further action or order of this Court.

18. The failure to include any particular provision of the Approval and Vesting Order, the Purchase Agreement, or any related agreements in this Order shall not

diminish or impair the effectiveness of that provision, it being the intent of this Court that the Approval and Vesting Order, the Purchase Agreement, and any related agreements, with such amendments thereto as may be made by the parties in accordance with the Approval and Vesting Order, and the Purchase Agreement be approved and authorized in their entirety.

19. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) the terms of this Order shall be immediately effective and enforceable upon its entry; (b) the G.I. Sportz Debtors, the Purchaser, and the Receiver are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the G.I. Sportz Debtors, the Purchaser, and the Receiver may, in their discretion and without further delay, take any action and perform any act authorized under the Approval and Vesting Order, and/or this Order.

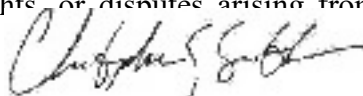
20. To the extent permitted by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Purchased Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these Chapter 15 Cases or the consummation of the Sale.

21. Nothing in this Order shall be deemed to waive, release, extinguish, or estop the G.I. Sportz Debtors or the Receiver from asserting, or otherwise impair or diminish, any right (including, without limitation, any right of recoupment), claim, cause of action, defense, offset, or counterclaim in respect of any asset that is not a Purchased Asset.

22. The provisions of this Order are nonseverable and mutually dependent.

23. Other than as explicitly set forth herein, this Court shall retain jurisdiction with respect to any and all matters, claims, rights, or disputes arising from or related to the implementation or interpretation of this Order.

**Dated: November 17th, 2020**  
**Wilmington, Delaware**



**CHRISTOPHER S. SONTCHI**  
**UNITED STATES BANKRUPTCY JUDGE**

**EXHIBIT 1**

**Approval and Vesting Order**



**SUPERIOR COURT**

**(Commercial Division)**

**CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL**

**No. 500-11-058942-208  
500-11-058944-204  
500-11-058943-206  
500-11-058941-200  
500-11-058946-209  
500-11-058945-201**

COPIE CERTIFIÉE CONFORME AU  
DOCUMENT DÉTENU PAR LA COUR  
*Priveau G.A.C.S.*  
PERSONNE DÉSIGNÉE PAR LE GREFFIER  
EN VERTU DE 67 C.P.C.

**DATE: November 12<sup>th</sup>, 2020**

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**PRESIDING : THE HONOURABLE YVES POIRIER, J.S.C.**

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**IN THE MATTER OF THE RECEIVERSHIP OF:**

**G.I. SPORTZ INC.**

-and-

**TIPPMANN US HOLDCO INC.**

-and-

**GI SPORTZ DIRECT LLC**

-and-

**TIPPMANN SPORTS, LLC**

-and-

**MISSION LESS LETHAL LLC**

-and-

**TIPPMANN FINANCE LLC**

**Debtor**

-and-

**GIS DEBT ACQUISITION PARTNERSHIP**

**Creditor**

-and-

**KSV RESTRUCTURING INC.**

**Receiver**

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**APPROVAL AND VESTING ORDER**

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- [1] **ON READING** the Receiver's *Motion for the Issuance of an Approval and Vesting Order* (the "**Motion**"), the affidavit and the exhibits in support thereof;
- [2] **CONSIDERING** the provisions of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "**BIA**");
- [3] **CONSIDERING** the service of the Motion;
- [4] **CONSIDERING** the First Report of KSV Restructuring Inc. in its capacity as Receiver dated October 27, 2020 (the "**Report**");
- [5] **CONSIDERING** the representations of counsels;
- [6] **SEEING** that it is appropriate to issue an order approving the transaction(s) (the "**Transaction**") contemplated by the agreement entitled the Asset Purchase Agreement (the "**Purchase Agreement**") by and between the Receiver, as vendor (in such capacity the "**Vendor**"), and Kore Outdoor Inc. and Kore Outdoor (US) Inc. (collectively, the "**Purchaser**"), as purchaser, dated October 27, 2020, a copy of which was filed as Appendix "D" to the Report and Confidential Appendix "3" to the report filed under seal, and vesting in the Purchaser, in accordance with the terms of the Purchase Agreement, the assets described in the Purchase Agreement (the "**Purchased Assets**").

**WHEREFORE THE COURT:**

- [7] **GRANTS** the Motion;

**SERVICE**

- [8] **ORDERS** that any prior delay for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
- [9] **PERMITS** service of this Order at any time and place and by any means whatsoever.

**SALE APPROVAL**

- [10] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Receiver.

### EXECUTION OF DOCUMENTATION

- [11] **AUTHORIZES** the Vendor and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Purchase Agreement (Appendix "D" to the Report) and any other ancillary document which could be required or useful to give full and complete effect thereto.
- [12] **AUTHORIZES** the Vendor to execute and perform its obligations under the Transition Services Agreement substantially in the form attached to the Purchase Agreement with such alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Receiver.

### AUTHORIZATION

- [13] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.

### VESTING OF PURCHASED ASSETS

- [14] **ORDERS** and **DECLARES** that upon the issuance of a Receiver's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, in accordance with the terms of the Purchase Agreement, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**" ), including without limiting the generality of the foregoing all charges, security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, or any other applicable legislation providing for a security interest in personal or movable property, excluding however, the permitted encumbrances, easements and restrictive covenants listed on Schedule "B" hereto (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be expunged and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.
- [15] **DECLARES** that upon issuance of the Certificate, the Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Québec*.
- [16] **ORDERS** and **DIRECTS** the Receiver to file with the Court a copy of the Certificate, forthwith after issuance thereof.

- [17] **ORDERS and DECLARES** that upon the issuance of a Receiver's certificate substantially in the form appended as Schedule "C" hereto (the "**Designated Assets Receiver's Certificate**"), all rights, title and interest in and to the Designated Assets as set out in such Designated Assets Receiver's Certificate shall vest absolutely and exclusively in and with the Purchaser, in accordance with such Designated Assets Receiver's Certificate, free and clear of and from all Encumbrances, excluding however, the Permitted Encumbrances, and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Designated Assets, other than the Permitted Encumbrances, be expunged and discharged as against the Designated Assets in each case effective as of the applicable time and date of the Designated Assets Receiver's Certificate.

#### **PROTECTION OF PERSONAL INFORMATION**

- [18] **ORDERS** that, pursuant to sub-section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or any similar provision of any applicable provincial legislation, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on **Schedules "1.1(b) and 6.2"** to the Purchase Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor;

#### **VALIDITY OF THE TRANSACTION**

- [19] **ORDERS** that notwithstanding:

- (i) the pendency of these proceedings;
- (ii) any petition for a receiving order now or hereafter issued pursuant to the BIA and any order issued pursuant to any such petition; or
- (iii) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Purchase Agreement pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Receiver.

#### **LIMITATION OF LIABILITY**

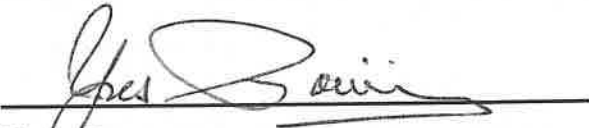
- [20] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the BIA;

- [21] **DECLARES** that no action lies against the Receiver by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph;

**GENERAL**

- [22] **ORDERS** that the Purchaser or the Vendor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [23] **ORDERS** that the Confidential Appendices 1-3 to the First Report be kept confidential and under seal until the earlier of a) the closing of the Transaction; or b) further order of this Court.
- [24] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada;
- [25] **DECLARES** that the Receiver, as Foreign Representative of the Debtors, shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Receiver as may be deemed necessary or appropriate for that purpose;
- [26] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order;
- [27] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever;

**THE WHOLE WITHOUT COSTS.**

  
Yves Poirier, j.s.c.

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**BORDEN LADNER GERVAIS LLP**  
Mtre Marc Duchesne  
Attorneys for Bank of Montreal

**AGENCE DU REVENU DU CANADA**  
Mtre Chantal Comtois

Hearing date: November 11<sup>th</sup>, 2020

**SCHEDULE "A"**  
**DRAFT CERTIFICATE OF THE RECEIVER**

**CANADA**

**PROVINCE OF QUEBEC  
DISTRICT OF MONTRÉAL**

**SUPERIOR COURT**  
Commercial Division

**File: No: 500-11-**

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**IN THE MATTER OF THE RECEIVERSHIP  
OF:**

**G.I. SPORTZ INC.**

-and-

**TIPPMANN US HOLDCO INC.**

-and-

**GI SPORTZ DIRECT LLC**

-and-

**TIPPMANN SPORTS, LLC**

-and-

**MISSION LESS LETHAL LLC**

-and-

**TIPPMANN FINANCE LLC**

**Debtor**

-and-

**GIS DEBT ACQUISITION PARTNERSHIP**

**Creditor**

-and-

**KSV RESTRUCTURING INC.**

**Receiver**

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**CERTIFICATE OF THE RECEIVER**

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**RECITALS:**

**WHEREAS** on October 15, 2020, the Superior Court of Quebec (the "**Court**") issued an order for the appointment of a receiver (the "**Receivership Order**") pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "**Act**") with respect to the Debtors assets;

**WHEREAS** pursuant to the terms of the Order, KSV Restructuring Inc. (the "**Receiver**") was named Receiver of the Debtors;

**WHEREAS** on ●, the Court issued an Order (the "**Vesting Order**") thereby, *inter alia*, authorizing and approving the execution by the Receiver of an agreement entitled Asset Purchase Agreement dated October 27, 2020 (the "**Purchase Agreement**") by and between the Receiver, as vendor (the "**Vendor**") and Kore Outdoor Inc. and Kore Outdoor (US) Inc. (jointly the "**Purchaser**"), as purchaser, a copy of which was filed in the Court record, and into all the transactions contemplated therein (the "**Transaction**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Receiver; and

**WHEREAS** the Vesting Order contemplates the issuance of this Certificate of the Receiver once the (a) the Purchase Agreement has been executed and delivered; (b) the Purchase Price (as defined in the Purchase Agreement) has been paid by the Purchaser; and (c) and all the conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

**THE RECEIVER CERTIFIES THE FOLLOWING:**

- (a) the **Purchase Agreement** has been executed and delivered;
- (b) the Purchase Price (as defined in the Purchase Agreement) payable upon the closing of the Transaction and all applicable taxes have been paid; and
- (c) all conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

This Certificate was issued by the Receiver at \_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

KSV Restructuring Inc., in its capacity as court-appointed Receiver of the Debtors, and not in its personal capacity.

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

\*\*\*\*\*



**SCHEDULE "B"**

**PERMITTED ENCUMBRANCES**

1. Movable Hypothec dated as of September 12, 2018, granted by G.I. Sportz Inc. in favour of GIS Debt Acquisition Partnership over the universality of all present and future movable property, rights and assets, corporeal and incorporeal including, but not limited to, securities (or the equivalent), trademarks, patents and patent rights, copyrights and inventions registered in every location where GI has material assets as perfected by registration with the Registry of Personal and Movable Real Rights under registration number 18-1008310-0001.
2. Movable Hypothec dated as of September 9, 2020, granted by G.I. Sportz Inc. in favour of Bank of Montreal over the account held by G.I. Sportz Inc. with Bank of Montreal number 0001-4759-105 (and any account replacing such account from time to time and the monetary claims pertaining to same), as perfected by registration with the Registry of Personal and Movable Real Rights under registration number 20-0911050-0001.
3. The General Security Agreement dated as of September 14, 2018, granted by Tippmann Finance LLC, Tippmann US Holdco Inc., Tippmann Sports, LLC, GI Sportz Direct LLC and Mission Less Lethal, LLC (together the "US Guarantors") in favour of GIS Debt Acquisition Partnership, granting a general security interest over all right, title and interest in, to and under, all present and after-acquired personal property of the US Guarantors as evidenced by the following UCC Financing Statement file numbers: (i) 20185939331; (ii) 20185939489; (iii) 20185939653; (iv) 20185939786; and (v) 201800007009592.
4. The Security Agreement – Patents, dated September 14, 2018, granted by G.I. Sportz Inc., Tippmann Sports, LLC and Mission Less Lethal, LLC in favour of GIS Debt Acquisition Partnership, granting a security interest in all present and after-acquired right, title and interest in and to all inventions, letters patent and foreign patents and all licences of the use of such afore-mentioned letters patent.
5. The Security Agreement – Trademarks and Service Marks, dated September 14, 2018, granted by G.I. Sportz Inc., Tippmann Sports, LLC and Mission Less Lethal, LLC in favour of GIS Debt Acquisition Partnership, granting a security interest in all present and after-acquired right, title and interest in and to all trademarks and service marks, all licences of use of such marks, all good will associated with such marks, all registrations and certificates of registrations and all proceeds of the foregoing.

**SCHEDULE "C"**

**DRAFT CERTIFICATE OF THE RECEIVER REGARDING DESIGNATED ASSETS**

**CANADA**

**PROVINCE OF QUEBEC  
DISTRICT OF MONTRÉAL**

**SUPERIOR COURT  
Commercial Division**

**File: No: 500-11-**

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**IN THE MATTER OF THE RECEIVERSHIP  
OF:**

**G.I. SPORTZ INC.**

-and-

**TIPPMANN US HOLDCO INC.**

-and-

**GI SPORTZ DIRECT LLC**

-and-

**TIPPMANN SPORTS, LLC**

-and-

**MISSION LESS LETHAL LLC**

-and-

**TIPPMANN FINANCE LLC**

**Debtor**

-and-

**GIS DEBT ACQUISITION PARTNERSHIP**

**Creditor**

-and-

**KSV RESTRUCTURING INC.**

**Receiver**

---

**DESIGNATED ASSETS CERTIFICATE OF THE RECEIVER**

**RECITALS:**

**WHEREAS** on October 15, 2020, the Superior Court of Quebec (the "**Court**") issued an order for the appointment of a receiver (the "**Receivership Order**") pursuant to section 243 of the