

EXHIBIT B

Elliott Declaration

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

In re:

SPORTCO HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 19-11299 (LSS)
(Jointly Administered)

Re: Docket No. ____

**DECLARATION OF D. JOSHUA ELLIOTT IN SUPPORT OF DEBTORS’
APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING THE RETENTION AND
EMPLOYMENT OF DIXON HUGHES GOODMAN LLP AS ACCOUNTANT AND
AUDITOR TO THE DEBTORS PURSUANT TO SECTIONS 327(a), 328(a), AND 330
OF THE BANKRUPTCY CODE, BANKRUPTCY RULES 2014(a) AND 2016, AND
LOCAL RULES 2014-1 AND 2016-2 NUNC PRO TUNC TO JULY 15, 2019**

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), D. Joshua Elliott declares pursuant to 28 U.S.C. §1746:

1. I am a Partner of Dixon Hughes Goodman LLP (“**DHG**”). I provide this Declaration on behalf of DHG in support of the Application (the “**Application**”) of above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) to retain DHG to provide accounting and audit services pursuant to the terms and conditions set forth in the Engagement Letters between the Debtors and DHG (the “**Engagement Letters**”). Unless otherwise defined, all capitalized terms used herein shall have the meanings given to them in the Application.

2. The Debtors have selected DHG as their accountant and auditor due to the firm’s extensive experience in and knowledge of the operations of companies such as the Debtors as well as DHG’s outstanding reputation as a provider of accounting and audit services.

¹ The Debtors, together with the last four digits of each Debtor’s federal tax identification number, are: Bonitz Brothers, Inc. (4441); Ellett Brothers, LLC (7069); Evans Sports, Inc. (2654); Jerry’s Sports, Inc. (4289); Outdoor Sports Headquarters, Inc. (4548); Quality Boxes, Inc. (0287); Simmons Guns Specialties, Inc. (4364); SportCo Holdings, Inc. (0355); and United Sporting Companies, Inc. (5758). The location of the Debtors’ corporate headquarters and the service address for all Debtors is 267 Columbia Ave., Chapin, SC 29036.

3. DHG is a leading public accounting firm and provider of accounting, advisory, and tax services with over 2,000 professionals across the United States. Headquartered in Charlotte, North Carolina, DHG ranks among the top twenty public accounting firms in the nation and offers its services to clients in more than twenty industries across the United States and internationally. DHG has considerable experience providing accounting, advisory, and tax services to businesses in chapter 11, and has been employed in numerous cases under the Bankruptcy Code, such as *In re City Center Healthcare, LLC d/b/a Hahnemann University Hospital*, Case No. 19-11466-KG (Bankr. D. Del., Aug. 2, 2019); *In re Joerns WoundCo Holdings, Inc.*, Case No. 19-11401-JTD (Bankr. D. Del., July 25, 2019).

4. Prior to joining DHG, I worked on a number of chapter 11 cases, including: *In re Deel, LLC*, Case No. 10-11310 (Bankr. D. Del.); *In re Friedman's, Inc.*, No. 05-40129 (Bankr. S.D. Ga.); *In re New Century TRS Holdings, Inc.*, Case No. 07-10416 (Bankr. D. Del.); *In re Greater Southeast Community Hospital Corp.*, Case No. 02-02250 (Bankr. D.D.C.); *In re Portrait Innovations, Inc.*, Case No. 17-31455 (Bankr. W.D.N.C.).

5. As set forth more fully in the Engagement Letter and the Elliott Declaration, DHG will provide the following services (the “**Services**”) during the course of these chapter 11 cases:

- a. Preparing tax returns for the Debtors for the years ending December 31, 2017 and December 31, 2018 and for the year ending no later than December 31, 2019, including, without limitation, estimating periodic tax payment calculations for both federal and state obligations for the tax year ending December 31, 2019 beginning with Q3 2019 and calculating additional amounts to be capitalized to inventory under the Uniform Capitalization rules of IRC 263A; (the “**Tax Return Services**”);
- b. Provide routine tax consulting services as may be requested from time to time by the Debtors, including tax research, analysis, consultations, assistance with tax examinations, and other routine tax consulting services, including consulting on tax matters related to the bankruptcy (the “**Tax Consulting Services**,” and together with the Tax Return Services, the “**Tax Services**”); and

- c. Auditing the statements of net assets available for benefits as of December 31, 2018 and for the year ending no later than December 31, 2019, for the Debtors' 401(k) plan (the "**Plan**") and the related statements of changes in net assets available for benefits for the year and period then ended, and preparing Form 5500s for the related periods (the "**401(k) Audit Services**");
- d. Provide routine audit and plan-related services as may be requested from time to time by the Debtors, including an audit relating to the final distribution of Plan assets, if necessary (the "**Other Plan Services**" and, together with the 401(k) Audit Services, the "**401(k) Services**").

6. With respect to the Tax Return Services, DHG is seeking to be paid pursuant to section 328(a) on a flat fee basis as more fully described below. DHG's fees for the Tax Return Services will be \$45,000 for the tax returns for the Company for the year ending December 31, 2018, and \$45,000 for the tax returns for the Company for the year ending no later than December 31, 2019. Additional state tax returns beyond those listed in Engagement Letters will be billed at \$1,000 per separate state or local return and \$1,750 per consolidated or unitary return.

7. With respect to the 401(k) Audit Services, DHG is seeking to be paid pursuant to section 328(a) on a flat fee basis as more fully described below. DHG's fees for the 401(k) Audit Services will be \$22,000 for the year ending December 31, 2018, and \$22,000 for the year ending no later than December 31, 2019. If an additional audit is required prior to final distribution of Plan assets, DHG will charge a fee similar to the current flat fee arrangement.

8. Fees for the Tax Consulting Services and Other Plan Services will be billed at DHG's standard hourly rates in force at the time of service for the personnel performing the services. An example of DHG's customary hourly rates are as set forth in the schedule below.

Title	Rate Per Hour
Partner	\$ 560
Senior Manager	\$ 425
Manager	\$ 325
Senior Associate	\$ 250
Associate	\$ 200

9. In addition to the reimbursement arrangements described above, the Debtors and DHG have agreed that the Debtors shall reimburse DHG for its reasonable and documented out-of-pocket expenses incurred in connection with DHG's performance of the Services.

10. For accounting and audit engagements such as those under the Engagement Letters, it is not DHG's general practice to keep detailed time records similar to those customarily maintained by attorneys or restructuring professionals. Accordingly, the Debtors request that the Court modify certain of the requirements established by the Local Rule 2016-2 such that DHG professionals shall not be required to keep contemporaneous time records of the services by project category.

DHG'S CONFLICTS CHECK PROCEDURES

11. As part of its practice, DHG appears in cases, proceedings, and transactions involving many different attorneys, financial advisors, and creditors, some of which may represent or be claimants and/or parties in interest in this case. In connection with the preparation of this Declaration, DHG obtained from the Debtors and/or its representatives the names of

individuals and entities that may be parties in interest in these chapter 11 cases, and such parties are listed on **Schedule 1** attached hereto, which include the:

- (a) Debtors;
- (b) Officers;
- (c) Directors;
- (d) Equity Security Holders;
- (e) Parties to Significant Litigation;
- (f) Debtors' Professionals;
- (g) Putative Secured Creditors;
- (h) Lessors of Real Property;
- (i) Insurance Companies;
- (j) Utilities;
- (k) Top 30 Creditors;
- (l) Vendors; and
- (m) United States Trustee and Court Personnel for the District of Delaware (and Key Staff Members).

12. Specifically, DHG conducted a review of DHG's professional contacts and the parties set forth on **Schedule 1**. Our review, completed at my request, consisted of queries of an internal computer database containing the names of individuals and entities that are clients of DHG in order to identify potential relationships and contacts, and a further query of DHG professionals with regard to any potential conflicts thereby revealed.

13. To my knowledge and subject to the disclosures herein, neither DHG nor any members of DHG had any business, professional, or other connection with the Debtors or any other party in interest listed on **Schedule 1** attached hereto, other than described herein below.

DHG'S CONNECTIONS WITH PARTIES IN INTEREST
IN THIS CHAPTER 11 CASE

14. Although neither the term “connection,” as used in Bankruptcy Rule 2014, nor the proper scope of a professional’s search for “connection” has been defined, to the best of my knowledge, based on the review procedures described above, DHG does not have any “connection” to any parties in interest in these chapter 11 cases.

15. I am not related to and, to the best of my knowledge, no other partner or employee at DHG is related to, any United States Bankruptcy Judge for the District of Delaware, any District Judge for the District of Delaware, the U.S. Trustee for the District of Delaware or any employee in the office of the U.S. Trustee.

16. As of the petition date, DHG is not an equity holder, or an insider of the Debtors as specified in subparagraph (A) of 11 U.S.C. §101(14).

17. No partner or employee of DHG has been a director, officer, or employee of the Debtors within two years of the Commencement Date as specified in subparagraph (B) of 11 U.S.C. §101(14).

18. To the best of my knowledge, DHG has performed and presently may be performing accounting or audit services unrelated to the Debtors for creditors or other parties of interest, as listed on **Schedule 2** hereto. To the best of my knowledge, each of these engagements relate to matters totally unrelated to the Debtors’ cases for which DHG is seeking to be engaged. If new relationships arise, or if DHG discovers additional information that DHG believes requires additional disclosure, DHG will file a supplemental disclosure with the Bankruptcy Court as promptly as possible.

19. As part of its practice, DHG appears in cases, proceedings, and transactions involving many different attorneys, accountants, financial consultants, investment bankers, and

other entities, some of which may be parties-in-interest in this case. DHG does not represent any such entity in connection with the pending case or have a relationship with any such entity or professional that would be adverse to the Debtors, the Debtors' estates, or any other interested party in this case.

20. In addition, DHG has in the past, may currently, and will likely in the future be working with or against other professionals involved in these cases in matters unrelated to the Debtors and these cases. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these business relationships create interests adverse to the Debtors herein in matters upon which DHG is to be employed, and none are in connection with the chapter 11 cases. Accordingly, DHG believes that it is a "disinterested person," as defined in section 101(14) of the Bankruptcy Code and as modified by section 1107(b) of the Bankruptcy Code, and as required by section 327(a).

21. Except as otherwise set forth herein, DHG has not shared or agreed to share any of its compensation in connection with this matter with any other person.

22. Except for the modifications requested in the Application, DHG intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of this Court and the Engagement Letters, and pursuant to any additional procedures that may be established by the Court in this case.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: September 9, 2019

/s/ D. Joshua Elliott
By: D. Joshua Elliott, Partner
Dixon Hughes Goodman LLP

Schedule 1
List of Schedules

<u>Schedule</u>	<u>Category</u>
1(a)	Debtors
1(b)	Officers
1(c)	Directors
1(d)	Equity Security Holders
1(e)	Parties to Significant Litigation
1(f)	Debtors' Professionals
1(g)	Putative Secured Creditors
1(h)	Lessors of Real Property
1(i)	Insurance Companies
1(j)	Utilities
1(k)	Top 30 Creditors
1(l)	Vendors
1(m)	United States Trustee and Court Personnel for the District of Delaware (and Key Staff Members)

Schedule 1(a)

Debtors

United Sporting Companies, Inc.
SportCo Holdings, Inc.
Ellett Brothers, LLC
Jerry's Sports, Inc.
Simmons Gun Specialties, Inc.
Bonitz Brothers, Inc.
Outdoor Sports Headquarters, Inc.
Evans Sports, Inc.
Quality Boxes, Inc.

Schedule 1(b)

Officers

Bradley P. Johnson
James McCrudden

Schedule 1(c)

Directors

Alexander E. Carles
Justin Vorwerk
Bradley P. Johnson

Schedule 1(d)
Equity Security Holders

Wellspring Capital Partners I.V.
Summit Partners Credit Fund, L.P.
Summit Partners Credit Fund A-1, L.P.
Prospect Capital Corporation
Summit Partners Credit Offshore Intermediate Fund, L.P.
Summit Investors I, LLC
Summit Investors I (UK), LP
Prospect Capital Funding LLC
F. Hewitt Grant
Chuck Walker
Berne Ziomek
Todd Boehly
Andy Kupchik

Schedule 1(e)

Parties to Significant Litigation

Angelica Gallman

Lina Bucci

Lyndle Leggett

Robert A. Tucker

Kelvin Monts

Mary Dyer

Kathy Glymph

Evan Bright

Schedule 1(f)

Debtors' Professionals

McDermott Will & Emery LLP
Polsinelli P.C.
BMC Group
Winter Harbor

Schedule 1(g)

Putative Secured Creditors

Wells Fargo Bank, NA
Regions Bank
Bank of America, N.A.
Prospect Capital Corporation
Summit Partners Credit Fund, L.P.
Summit Partners Credit Fund A-1, L.P.
Summit Investors I, LLC
Summit Investors I (UK), L.P.
Summit Partners Credit Offshore Intermediate Fund, L.P.

Schedule 1(h)

Lessors of Real Property

Tripoint Properties, Inc.
West River Business Park Partnership
Savlan DFW Commerce Park, LLC
Colfin 2017-10 Industrial Owner, LLC
Clydie Evans, Jr.
Sandra Manier
Mericle 100 Capital, LLC
JSC Liquidating Trust

Schedule 1(i)

Insurance Companies

Illinois National Insurance Company
National Union Fire Insurance Company
Granite State Insurance Company
Commerce and Industry Insurance Company
Navigators Insurance Company
Ironshore Specialty Insurance Company

Schedule 1(j)

Utilities

Downingtown Municipal Water
Borough of Downingtown
Town of Chapin Utilities
S.C. Electric & Gas
Mill Town Partners
City of Newberry
Clinton Newberry Natural Gas
City of Columbia
Vectren Energy
Constellation New Energy
Rocky Mountain Power
Xcel Energy
Dominion Energy
Dayton Power & Light Co.
City of Bellefontaine
UGI Utilities
PPL Electric Utilities
Pennsylvania-American Water Company
Keystone Propane

Schedule 1(k)

Top 30 Creditors

ATK-Vista
Henry Rac Holding Corp.
Savage Arms Rifles
Bushnell-Vista
Magpul Industries Corporation
Navico - Simrad
Remington Arms Guns
Glock Inc.
Hornady Cartridge Ammo
FN America, LLC
Century International
Garmin USA, Inc.
O.F. Mossberg Firearm Spt
Fiocchi Of America
Smith & Wesson Corp.
Kel-Tec CNC Industries Inc.
Sturm Ruger Rifles
Sturm, Ruger & Company Inc.
Browning Firearms
Springfield Inc.
Remington Ammo-Promo
American Tech Network Co.
Fmk Firearms, Inc.
Leupold
Century International Arms Inc.
Century Arms
Walther Arms Inc.
Henry Repeating Arms
SCCY Industries
Blaser USA, Inc.

Schedule 1(I)

Vendors

3M
Absolute Outdoors, Inc.
Allen Co Inc.
American Built Arms Company
American Tactical Imports
Americana Tire & Wheel
Ameriglo, LLC
Ammo Inc.
Arcus Hunting LLC
Armalite, Inc.
Armcor Precision, Inc.
ASA Electronics, LLC
Barnett Outdoors/Plano Synergy
Barrett Firearms Mfg.
Battenfield Technolgies
Bearing Buddy, Inc.
Bell Lifestyle Products
Beretta USA Corp.
Birchwood Casey, LLC
Black Hills Ammunition, Inc.
Black River Tools
Blackpowder Products Inc.
Blue Sea Systems
Bond Arms Inc.
Boyt Corporate Offices
Bravo Company USA, Inc.
Braztech International
Browning Hand Guns
Buccaneer Rope
Bulldog Cases & Vaults
C & G Arms LLC
Cal June Corp.
Camco Mfg. Co.
Camo Unlimited
Capstone Precision Group,LLC
Carlsons Choke Tubes LLC
Carver Industries, Inc.
Caviness Woodworking Co.
Charter Arms
Chiappa Firearms USA, Ltd
Chip McCormick Custom, LLC
Cipa USA

Clarion Corp. Of America
Classic Firearms
CMC Triggers
Cobra Enterprises of Utah, Inc.
Colt's
Connecticut Shotgun Mfg. Co.
CRC Industries
Crimson Trace Corp.
Crosman Corporation
CZ-USA
Daisy Manufacturing Co.
Dead Down Wind
DLC Trading Covert Scouting
DMT
DNZ Products
Dometic Corporation
Dr. Shrink Inc.
Eagle Imports Inc.
Edgecraft Corp
Emissive Energy
Epcoc Inc.
ETS Group
Ezy Glide Inc.
Falcon Safety Products
Feradyne Outdoors, LLC
First Samco Inc.
Flambeau Products Corp.
Flir Maritime US, Inc.
Fostech Inc.
Froglube
Full Conceal Inc.
G Outdoors, Inc.
G-2 Research, Inc.
G96 Products Company Inc.
Galco International Ltd.
Gemtech Smith & Wesson
Generac Power Systems
Gg Telecom Inc.
Gold Eagle Co
Grasso Holdings, Inc.
Hardline Products
Harris Engineering Inc.
Haynes Manuals, Inc.
Heckler & Koch, Inc.
Heritage Mfg Inc.
Hilco

HKS Tool Products Inc.
Hodgdon Powder Company
Hogue Combat Grips
Holosun Technologies
Honeywell Safety Products USA
Horizon Global Americas Inc.
Hornady Manufacturing Co.
Immi
Inland Mfg. - MKS
ITW Evercoat
ITW Performance & Polymers
ITW Permatex
IWI US, Inc.
James I Freudenberg dba JIF
Jet Technologies, Inc.
Johnny Ray, L.L.C.
Johnson Outdoors, Inc.
Johnson Pump Of America Inc.
Ka-Bar Knives, Inc.
Kahr Arms
Kai USA Ltd
Kel-Tec CNC Indus. Inc.
Keystone Sporting Arms
Kobayashi Consumer Products, LLC
Kriess Newco USA Inc.
L-3 E O Tech
Lancer Enterprises BB&T
Lenco Marine Solutions
Leupold Mounts
Liberty Ammunition
Life Industries Corp.
Lightfield Corporation
LWRC International LLC
Maglula Ltd.
Magnum Research Inc.
Magtech Ammo
Marinco
Marine Development & Research
Master Lock 15849
Masterpiece Arms
Mayville Engineering Co Inc.
Mcgard Inc.
Mec-Gar USA Inc.
Megaware Keelguard
Michigan Wheel
Mission First Tactical

MKS Supply, Inc.
Mojo Outdoors
Motion Water Sports, Inc.
MTM Molded Products
Mustang Survival Inc.
Namsung America, Inc.
Navico/Simrod
NC Star
NGK Spark Plugs Inc.
Night Fision LLC
North American Arms Inc.
Nosler Inc.
Noveske Rifleworks LLC
NST Global LLC
O F Mossberg-Exclusives
Oaks Wholesale
Olin Corp Winchester Division
Orion Signal Products
Outdoor Edge
Pachmayr Ltd.
Parker Bows
Patriot Ordnance Factory, Inc.
Pearce Grip Inc.
Pelican Marine
Plano Synergy/Evolved Inc.
Plews/Edelmann Div.
PMC Ammunition, Inc.
Pro Charging Systems, LLC
Pro Mag Mfg. Inc.
Prometheus Group LLC
Prospect Electronics
Pyramex Safety
Quantum Ammunition
R & R Design Inc.
Rapala USA
Ravin Crossbows LLC
Remington Arms Co.
Rio Ammunition Inc.
Rod Saver/Precisioncut, Inc.
Ruag Ammotec USA, Inc.
Sa Sports LLC
Safariland LLC
Salt-Away Products, Inc.
Schmitt & Ongaro Marine Products
Scotty Inc.
Sea Dog Corp

Seastar Solutions
Security Equipment Corp
Shakespeare
Sharps Bros.
Shurtech Brands, LLC
Sierra Bullets, LLC
Sightron Inc.
Sims Vibration Labs
Smith & Wesson Performance Cen
Spectrum Brands Inc.
Sport Marine Tech
Spotters Inc.
Stack-On Products Co.
Star Brite
Streamlight
Styrka LLC
Surefire Holdings LLC
T R Imports Inc.
Tacklewebs Inc.
Taco Metals Inc.
Tannerite
Taurus International
Taylor Made Group
Taylor's & Co.
Ten Point Crossbow Tech.
T-H Marine Supplies Inc.
The CIT Group Commercial Services
The Fechheimer Bro. Co./Vertex
The Wise Company, Inc.
Tie Down Engineering Inc.
TR & Z USA Trading
Trac Outdoor Products
Trailblazer Firearms
TRC Recreation, LP
Trijicon Electro Optics
Tri-Star
Troy Industries Inc.
Truglo Inc.
Umarex Usa Inc.
Unicord
W.R. Case Cutlery Company
Warne Scope Mounts Mfg.
Weatherby Inc.
Weatherby Inc. Ammo
Whitecap Industries
Wildlife Res. Center Inc.

Wm C Anderson Inc Dba Anderson
Worth Company
Xproducts, LLC
Xylem
Youngs Mfg.
Zev Technologie

Schedule 1(m)

**United States Trustee and Court Personnel for the
District of Delaware (and Key Staff Members)**

Chief Judge Christopher S. Sontchi
Judge Kevin J. Carey
Judge John T. Dorsey
Judge Kevin Gross
Judge Karen B. Owens
Judge Brendan L. Shannon
Judge Laurie Selber Silverstein
Judge Mary F. Walrath
Una O'Boyle
T. Patrick Tinker
Lauren Attix
David Buchbinder
Linda Casey
Linda Richenderfer
Holly Dice
Shakima L. Dortch
Timothy J. Fox, Jr.
Diane Giordano
Christine Green
Benjamin Hackman
Jeffrey Heck
Jane Leamy
Hannah M. McCollum
James R. O'Malley
Michael Panacio
Juliet Sarkessian
Richard Schepacarter
Edith A. Serrano
Karen Starr
Ramona Vinson
Jaclyn Weissgerber
Dion Wynn

Schedule 2

1. DHG provides or has provided financial accounting, audit, or tax services to the following parties on unrelated matters: (i) Wells Fargo Bank, National Association, (ii) Bank of America, N.A., (iii) Regions Bank, and (iv) Camco Mfg. Co.
2. Various employees and/or partners of DHG have stock ownership in Bank of America, N.A., Dominion Energy or other creditors, either through direct ownership or indirectly through retirement/401k plans.