

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

In re:

SPORTCO HOLDINGS, INC., *et al.*,¹

Debtors.

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) Chapter 11
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Case No. 19-11299 (LSS)

(Jointly Administered)

**NOTICE OF (I) DEADLINE FOR CASTING VOTES TO ACCEPT OR REJECT THE
DEBTORS' COMBINED DISCLOSURE STATEMENT AND JOINT CHAPTER 11
PLAN OF LIQUIDATION, (II) THE HEARING TO CONSIDER CONFIRMATION OF
THE COMBINED PLAN AND DISCLOSURE STATEMENT
AND (III) CERTAIN RELATED MATTERS**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On September 13, 2019, the above-captioned Debtors and Debtors in Possession (the "Debtors") filed the Debtors' Second Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation (the "Combined Plan and Disclosure Statement").

2. Pursuant to an Order dated September 17, 2019 (the "Conditional Approval and Procedures Order"), the Bankruptcy Court conditionally approved the Combined Plan and Disclosure Statement for solicitation purposes only.

3. A hearing to consider the confirmation of the Combined Plan and Disclosure Statement (the "Confirmation Hearing") will be held before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge, United States Bankruptcy Court, 6th Floor, Courtroom #2, on October 21, 2019 at 10:00 a.m. ET.

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.

4. Objections to confirmation of the Combined Plan and Disclosure Statement, including any objection to the adequacy of the disclosures if any, must: (i) be in writing; (ii) state the name and address of the objecting party and the nature of the Claim or Equity Interest of such party; and (iii) be filed with the Court and served so as to be actually received by the following parties by 4:00 p.m. ET on October 15, 2019:

- **Debtors' Counsel.** McDermott Will & Emery LLP, 340 Madison Avenue, New York, New York 10173 (Attn: Darren Azman and Riley T. Orloff; dazman@mwe.com, rorloff@mwe.com), and Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, DE 19801 (Attn: Christopher Ward; cward@polsinelli.com);
- **The Office of the United States Trustee for the District of Delaware.** 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware, 19801 (Attn: David L. Buchbinder; David.L.Buchbinder@usdoj.gov);
- **Counsel to the Prepetition Term Loan Agent.** Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, New York 10019 (Attn: Adam H. Friedman and Jonathan T. Koevary; afriedman@olshanlaw.com, jkoevary@olshanlaw.com) and Blank Rome LLP, 1201 N. Market Street, Suite 800, Wilmington, Delaware 19801 (Attn: Regina Stango Kelbon and Victoria A. Guilfoyle; kelbon@blankrome.com, guilfoyle@blankrome.com); and
- **Counsel to the Official Committee of Unsecured Creditors.** Lowenstein Sandler LLP, 1251 Avenue of the Americas, New York, New York 10020 (Attn: Jeffrey Cohen, Eric Chafetz and Gabriel L. Olivera; jcohen@lowenstein.com, echafetz@lowenstein.com and golivera@lowenstein.com), and Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801 (Attn: Eric J. Monzo and Brya M. Keilson; emonzo@morrisjames.com, bkeilson@morrisjames.com).

The Debtors reserve the right to file a consolidated reply to any such objection no later than October 17, 2019.

5. Pursuant to the Conditional Approval and Procedures Order, the Bankruptcy Court approved the use of certain materials in the solicitation of votes to accept or reject the Combined Plan and Disclosure Statement and certain procedures for the tabulation of votes to accept or reject the Combined Plan and Disclosure Statement. If you are a holder of a Claim

against the Debtors as of September 17, 2019 (the “Record Date”) and entitled to vote, you have received with this Notice a ballot form (a “Ballot”) and instructions for completing the Ballot.

6. For a vote to accept or reject the Combined Plan and Disclosure Statement to be counted, the holder of a Ballot must complete all required information on the Ballot, execute the Ballot and return the completed Ballot in accordance with the instructions so that it is received by 4:00 p.m., prevailing Eastern Time, on October 15, 2019 (the “Voting Deadline”). Any failure to follow the instructions included with the Ballot or to return a properly completed Ballot so that it is received by the Voting Deadline may disqualify such Ballot and vote on the Combined Plan and Disclosure Statement. The rules and procedures for the tabulation of the votes are outlined in the Conditional Approval and Procedures Order.

7. If a holder of a Claim wishes to challenge the allowance or disallowance of a Claim for voting purposes under the Tabulation Procedures (as defined in the Conditional Approval and Procedures Order), such entity must file a motion, pursuant to Bankruptcy Rule 3018(a), for an order temporarily allowing such Claim in a different amount or classification for purposes of voting to accept or reject the Combined Plan and Disclosure Statement and serve such motion on the undersigned counsel to the Debtors so that it is received no later than 4:00 p.m., prevailing Eastern Time, on October 9, 2019. The Debtors shall have until October 15, 2019 to file and serve any responses to such motions. Unless the Court orders otherwise, such Claim will not be counted for voting purposes in excess of the amount determined in accordance with the Tabulation Procedures.

8. No later than ten (10) calendar days prior to the Voting Deadline, the Debtors will file in the Bankruptcy Court a notice identifying the Liquidating Trustee and the initial members

of the Oversight Committee. Such notice will be provided by the Debtors upon request to the Claims and Balloting Agent via email (usc@bmcbgroup.com) or by calling (888) 909-0100.

Important Dates

Date of Entry of Conditional Approval Order September 17, 2019	Voting Record Date
October 4, 2019 (Not later than 10 calendar days prior to Voting Deadline)	Deadline for Debtors to File Notice of Selection of Liquidating Trustee and Initial Members of the Oversight Committee
October 7, 2019	Deadline for Debtors to File Plan Supplement
October 9, 2019 at 4:00 p.m. (ET)	Deadline for Creditors to File Rule 3018 Motion
October 15, 2019 at 4:00 p.m. (ET)	Voting Deadline Deadline for Plan Confirmation Objections Deadline for Debtors to Respond to Rule 3018 Motions
October 17, 2019	Deadline for Debtors to Respond to Confirmation Objections
October 21, 2019	Confirmation Hearing

Summary of Estimated Recoveries

Class	Estimated Allowed Claims²	Treatment	Estimated Recovery to Holders of Allowed Claims³
Unclassified Administrative Expense Claims	\$3,261,145	Paid in Full up to the total amount set forth in the Approved Budget; <i>provided, however</i> , that the Debtors reserve their right to seek payment of administrative and Debtors' Professional fees in excess of the total budgeted amount in light of any unforeseen substantial circumstances, so long as such amounts are incurred after September 30, 2019, and do not exceed \$100,000 allocated solely to the Debtors' Professionals.	100%
Unclassified Intercompany Claims	\$0	Disallowed as of the Effective Date	0%
Unclassified Priority Tax Claims	\$570,637	Paid in Full	100%
Class 1 – Other Priority Claims	\$27,300	Paid in Full	100%
Class 2 – Prepetition Term Loan Claims	\$249,800,405	Payable from the Remaining Assets and proceeds thereof (but excluding the Liquidation Trust Funding Amount B), after carving out from the proceeds of the Remaining Assets to allow for the payment of Priority and Administrative Claims. Recoveries from the Type A Causes of	14.3%

² These amounts represent estimated Allowed Claims, and do not represent amounts actually asserted by creditors in proofs of claim or otherwise. The Debtors have not completed their analysis of Claims in the Chapter 11 Cases, and objections to such Claims have not been fully litigated and may continue following the Effective Date. Moreover, as of the date hereof, the Bar Date has not yet passed, as a result, additional Claims may be asserted against the Debtors. Therefore, there can be no assurances of the exact amount of the Allowed Claims at this time. Rather, the actual amount of the Allowed Claims may be greater or lower than estimated.

³ The estimated percentage recovery is based upon, among other things, an estimate of the Allowed Claims in the Chapter 11 Cases. As set forth in footnote 2 above, the actual amount of the Allowed Claims may be greater or lower than estimated. Thus, the actual recoveries may be higher or lower than projected depending upon, among other things, the amounts and priorities of Claims that are actually Allowed by the Bankruptcy Court.

		Action will be distributed to Holders of Allowed Prepetition Term Loan Claims in the percentage amounts as described herein.	
Class 3 – Other Secured Claims	\$815	Paid in Full	100%
Class 4 – General Unsecured Claims and Prepetition Term Loan Deficiency Claim	\$43,000,000 in General Unsecured Claims \$223,828,000 in Prepetition Term Loan Deficiency Claims	Holders of Allowed General Unsecured Claims and Prepetition Term Loan Deficiency Claims will share in recoveries from both Type A and Type B Causes of Action in the percentage amounts described in the Combined Plan and Disclosure Statement.	Unknown
Class 5 – Wellspring Subordinated Claims	\$3,486,259 ⁴	No Distribution	0%
Class 6 – Equity Interests	Non-Voting Class	No Distribution	0%

9. If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought and may enter an order confirming the Combined Plan and Disclosure Statement.

10. Copies of the Combined Plan and Disclosure Statement and the Conditional Approval and Procedures Order are available for review without charge at the website maintained by the Claims and Balloting Agent, www.bmcgroup.com/usc, and upon request to the Claims and Balloting Agent via email (usc@bmcgroup.com) or by calling (888) 909-0100.

⁴ Wellspring has asserted Claims against the Debtors totaling not less than \$3,486,259 for unpaid management fees and expenses owed pursuant to the Management Agreement, plus other contingent and unliquidated amounts. As described in the Combined Plan and Disclosure Statement, the Prepetition Term Loan Agent and the Committee allege that pursuant to the terms of the Prepetition Term Loan Agreement, Wellspring's Claims arising from the Management Agreement are contractually prohibited and subordinated to the Prepetition Term Loan Lenders until the Obligations (as defined in the Prepetition Term Loan Agreement) owing to the Prepetition Term Loan Lenders are indefeasibly paid in full, and as such have no value. As described in the Combined Plan and Disclosure Statement, to the extent that the Bankruptcy Court finds that Wellspring's Claims are subordinated, by agreement or otherwise, such Claims shall be treated as Class 5 Wellspring Subordinated Claims. To the extent that any of Wellspring's Claims are not found to be subordinate, such Claims shall be General Unsecured Claims under this Combined Plan and Disclosure Statement.

Dated: September 19, 2019
Wilmington, Delaware

POLSINELLI PC

/s/ Christopher A. Ward

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