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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
FOR THE COUNTY OF KING

WELLS FARGO BANK, NATIONAL
ASSOCIATION, a national banking
association,

Petitioner,

vs.

ONLINESHOES.COM INC., a Washington
corporation; SHOES.COM, INC., a Delaware
corporation,

Respondents.

No. 17-2-02462-7 SEA

RECEIVER'S SECOND MONTHLY
REPORT OF OPERATIONS AND
FINANCIAL AFFAIRS PURSUANT
TO RCW 7.60.100

Pursuant to RCW 7.60.100 and the Stipulated Order Appointing General Receiver entered on February 2, 2017, attached is the Receiver's Second Monthly Report on the operations and financial affairs of Onlineshoes.com Inc. and Shoes.com, Inc., for the period March 1, 2017, through March 31, 2017.

Dated this 3rd day of May, 2017.

SCHWABE, WILLIAMSON & WYATT, P.C.

By: /s/ Claire L. Rootjes
Alex I. Poust, WSBA #22660
Claire L. Rootjes, WSBA #42178
Attorneys for Oswego Group LLC,
General Receiver

RECEIVER'S SECOND MONTHLY REPORT OF
OPERATIONS AND FINANCIAL AFFAIRS PURSUANT
TO RCW 7.60.100

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 ONLINESHOES
INC.

 SHOES.COM

Case No. 17-2-02462-7 SEA
Superior Court - Washington



Shoes.com, Inc. Onlineshoes.com Inc.

Inverness Group, as Receiver
Case No. 17-2-02462-7 SEA

Receiver's Report
Order Date February 2, 2017
Through March 31, 2017

April 30, 2017

Contents

- A. Overview
- B. RCW 7.60.100 Receiver's reports:
 - a) Balance sheet;
 - b) Statement of income and expenses;
 - c) Statement of cash receipts and disbursements;
 - d) Statement of accrued accounts receivable (post-filing) of the receiver. The statement shall disclose amounts considered to be uncollectible;
 - e) A statement of accounts payable of the receiver, including professional fees. The statement shall list the name of each creditor and the amounts owing and remaining unpaid over thirty days; and
 - f) A tax disclosure statement, which shall list post-filing taxes due or tax deposits required, the name of the taxing agency, the amount due, the date due, and an explanation for any failure to make payments or deposits.
- C. Subsequent Events – The sale of all substantially all of the tangible assets of the receivership Debtors (Shoes.com, Inc. and Onlineshoes.com Inc.), excluding books and records, A/R, and certain claims per the sale documents, was completed following competitive bidding and an auction among bidders held per the Court's orders on March 28, 2017. The sale was approved by the Court on April 3, 2017, and closed on April 21, 2017. The sale amount was \$7,050,000 (in excess of projected sale proceeds of \$4,527,000), and is subject to a maximum adjustment of \$439,000, subject to final inventory count and reconciliation. The Receiver is in the process of making demand against open A/R debtors, and is unable to determine the value of this remaining asset at this time. In addition, the Receiver has not determined the potential net value to the estate of its claim in pending litigation in New York.
- D. Schedules

Overview

1. The Receiver was appointed by the Court per the Stipulated Order Appointing General Receiver - Order entered 2/2/17 (the "Order"), following the shutdown of the Companies by ownership and management on 1/27/17. The Receiver directed the preparations for the sale of the Assets (substantially all assets of Shoes.com, Inc. and Onlineshoes.com Inc. (collectively, the "Debtors"), excluding accounts receivable) and completed the competitive sale process per the Court's Order approving sale procedures, entered on 3/8/17. The sale was completed, and the net result (\$7,050,000, subject to a maximum potential downward adjustment of \$439,000 or approx. 6%) was approved by the Court on 4/3/17, and closed and funded on 4/21/17.
2. The pre-receivership operations of the receivership Debtors were suspended, and all employees were terminated, by Debtors' management on 1/27/17, prior to the Order. Based on the analysis by the Receiver, the determination was made not to restart operations of the Debtors, but to initiate the immediate sale of the Debtor's businesses and/or assets under a competitive process to ensure best value to estate creditors.
3. The Receiver timely filed Schedules in the case, and prepared and developed its initial budget providing for estimated costs of the sale process and other administrative requirements through 5/5/17. Through 3/31/17, costs in the case have been managed within the provisions of the budget.
4. Notice to all creditors in the case was provided by the Receiver through direct mail, publication in the Seattle Journal of Commerce, and a dedicated website posted by the Receiver for access by creditors.
5. A claims procedure was established in the case, and the Orders, POC instructions, and other information materials have been posted to the Receiver's Creditor Information Page (<http://inverness.us/receivership-shoes-com-onlineshoes-com>) for access by creditors and other parties
6. The Receiver completed the sale process (Auction among Qualified Bidders on 3/28/17), and completed the final sale pursuant to orders entered in the case by the Court, with the proposed highest auction bid for the sale of essentially all assets of the Debtors, excluding the Debtors' Accounts Receivable and certain other assets of the Debtors. The Receiver will continue collection efforts to complete the disposition of the Accounts Receivable, and will reflect the results of these efforts, in subsequent reporting to the Court.

RCW 7.60.100 Report Items

Schedules provided per RCW 7.60.100 (Receiver's Reports) are attached and include the following:

Sch B(a)	-	Balance sheet
Sch B(b)	-	Statement of income and expenses
Sch B(c)	-	Statement of cash receipts and disbursements
Sch B(c-1)	-	Supplemental Schedule – Variance Report (Actuals to Budget) through 3/31/17
Sch B(d)	-	Statement of accrued accounts receivable of the receiver.
Sch B(d-1)	-	Supplemental Schedule – Pre-Receivership A/R
Sch B(e)	-	Statement of accounts payable of the receiver, including professional fees. The statement shall list the name of each creditor and the amounts owing and remaining unpaid over thirty days
Sch B(f)	-	A tax disclosure statement, which shall list post filing taxes due or tax deposits required

Balance Sheet at March 31, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
31-Mar-17

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Adjustments - 3/1/17 to 3/31/17	Book Value at 3/31/17	Estimated Value at 3/31/17
Assets					
Cash and bank accounts:					
Receiver Disb Acct USB 7060	-	10	218,682	218,692	218,692
Receiver MMA Sale Acct USB 8887	-	-	1,357,069	1,357,069	1,357,069
OLS Master Dep Acct - Wells 5678	-	62,873	(62,004)	870	870
OLS Master Oper Acct - Wells 5686	-	6,456	116,096	122,552	122,552
OLS Manual P/R - Wells 5567	-	-	-	-	-
Shoes.com, Inc. Oper Acct - Wells 5592	-	-	-	-	-
Other Cash / Accounts	-	-	-	-	-
Total Cash Balance		69,339	1,629,842	1,699,181	1,699,181
Inventory: Note 1	Groveport, OH Warehouse	11,062,346		11,062,346	
Inventory: Note 1	Amazon Locations (Multiple)	417,150	(69,344)	347,806	5,550,000
Inventory: Note 1	Red Wing Stores - 2 (Virginia)	595,929		595,929	
Inventory Adjustment Reserve Note 1					(439,503)
Amazon: Acct Cure and Post 3/28 Rec Adj per Sale Closing					(39,777)
Accounts Receivable: Note 2		1,426,255	(117,174)	1,309,081	-
Equipment: (Net of Accumulated Depreciation) Note 3	Note 3	1,202,782		1,202,782	1,500,000
Goodwill / Other Intangibles IP		200,000		200,000	
Prepaid Insurance and Other Expenses: *	Insurance / Other Prepaids	83,000	(6,917)	76,083	
Deposits *		51,596	(3,425)	48,171	
Total Assets		15,108,397	1,432,982	16,541,379	8,269,901

Balance Sheet at March 31, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
31-Mar-17

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Adjustments - 3/1/17 to 3/31/17	Book Value at 3/31/17	Estimated Value at 3/31/17
Liabilities					
Accounts Payable					
A/P - Pre-Receivership (Unsecured)		16,198,921		16,198,921	Subject to Claims Reconciliation
A/P - Post-2/2/17 (Admin)		100	(100)	-	
Pre-Receivership Wages and Employee-Related Payables	Note 4	192,058		192,058	Subject to Claims Reconciliation
Pre-Receivership Taxes Payable		2,289,701		2,289,701	Subject to Claims Reconciliation
Accrued Receiver Admin Expense + Deposits					
Accrued Receiver Fees / Expense per Notice		47,749	8,113	55,861	
Accrued Receiver Counsel Fees / Expense - Per Notice		20,818	31,086	51,904	
Advance - Opening Deposit USB 7060 (Rec Disb Acct)			10	10	
Accrued IT / Storage - Server Access (Digital Fortress)		5,676	3,500	9,176	
Accrued Contractor Fees / Expense - Per Canada Rec		11,474	8,000	19,474	
Accrued Admin Exp - Facilities Note 3 (est)		-	93,000	93,000	
Accrued Admin Exp - Utilities / Other			8,000	8,000	
Sale: Bid Deposits Payable Note 4			1,512,000	1,512,000	
SubTotal - Accrued Receivership Admin		85,717	1,663,708	1,749,425	1,749,425
Other Unsecured Claims per Schedules		52,762,844		52,762,844	Subject to Claims Reconciliation
Secured Liabilities					
Wells Fargo Bank		4,150,000	7,118	4,157,118	Subject to Claims Reconciliation
Dan Gerler, an Individual		3,000,000		3,000,000	Subject to Claims Reconciliation
Deans Knight Capital Management Ltd.		7,500,000		7,500,000	Subject to Claims Reconciliation
Caleres Investment Company, Inc.		7,500,000		7,500,000	Subject to Claims Reconciliation
Geodis (formerly Ozburn-Hessey Logistics, LLC)		700,000		700,000	Subject to Claims Reconciliation
Other				-	
SubTotal - Secured Liabilities		22,850,000	7,118	22,857,118	
Total Liabilities		94,379,341	1,670,727	96,050,068	
Equity		(79,270,944)	(237,745)	(79,508,688)	
Total Liabilities & Equity		15,108,397	1,432,982	16,541,379	

Note 1: Inventory Adjustment per PSA, subject to final (Escrow acct \$210,000 held separately by Bush Strout Seattle)

Note 2: A/R includes CC A/R and Est. Amounts due from the sale of Amazon-location inventories (at 50% of inventory book value); Demand pending - estimated recovery TBD

Income Statement
March 1, 2017
through March 31, 2017

Shoes.com, Inc. / Onlineshoes.com Inc.
No. 17-2-02462-7 SEA
Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
to March 31, 2017

	February 2, 2017 (Order Date) to February 28, 2017	March 1 - 31, 2017	Total - to March 31, 2017
Revenues / Invoicing	-	69	69
Subject to Reconciliation of Amazon Location Inv Sales			
Expenses			
Expense (Cash / Accrued Only)			
50000 - Expenses			
Contractor Services (Canadian Receiver / Shared - US Rec Portion (est - subject to Invoice))	11,474	19,474	30,948
Computer Services - Digital Fortress Co-Lo / Shared - US Rec Portion	5,676	9,176	14,852
51000 - Receivership Admin Exp			
51100 - Rec - Fees per Fee Ap	46,350	33,113	79,463
51200 - Rec - Expenses per Fee Ap	1,399		1,399
51300 - Receivers Bond	100		100
51400 - Rec - Legal Fees/Exp per Fee Ap	20,818	51,904	72,723
Total 51000 - Receivership Admin Exp	68,667	85,017	153,684
Facilities Leases		93,000	93,000
Utilities		8,000	8,000
Other			-
Total 50000 - Expenses	85,817	214,667	300,484
Total Pre-Tax Income (Expense)	(85,817)	(214,598)	(300,415)

Cash Receipts & Disbursements March 1 - 31, 2017

Shoes.com, Inc. / Onlineshoes.com Inc.
No. 17-2-02462-7 SEA
Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
March 1 - 31, 2017

	Date	Number	Name	Memo	Amount	Balance
Wells Fargo - OLS Master Deposit Acct 5678						
Opening Balance						62,873.15
Deposits						
Debits						
	13-Mar			Wells Merchant BakCard Dep	(3.63)	
	15-Mar			W/T - to USB 7060 / Receiver's Disb Acct	(62,000.00)	
Balance						869.52

Wells Fargo - OLS Master Deposit Acct 5686						
Opening Balance						6,455.98
Deposits						
	2-Mar			Affiliated Group ACH	1,174.32	
	31-Mar			Wells ASE (Amazon) W/T	116,000.00	
Debits						
	13-Mar			Client Analysis Svc Chrg 170310 Svc Chge 0217 000004128495686	(1,078.79)	
Balance						122,551.51

Receiver Disbursement-USB 7060						
Opening Balance						10.00
Deposits						
	14-Mar		Transfer	1011 - Onlineshoes.com-Wells Coll Acct 5678	62,000.00	
	15 - 17-Mar		Various per Bid Log	Bid Deposits (15 per Log)	3,284,773.00	
	30-Mar	Transfer	From Receiver's MMA Acct xxxx 8887	For Refund of Bid Deposits Post- Auction	1,927,773.00	
	31-Mar		Wolverine / Tiger	Bid Increase per APA	155,000.00	
					5,429,546.00	
Debits						
	16-Mar	Transfer	Bid Deposits	Bid Dep to Rec MMA xxxx 8887	(165,000.00)	
	17-Mar	Transfer	Bid Deposits	Bid Dep to Rec MMA xxxx 8887	(3,119,773.00)	
	18-Mar	11002	Oswego Group LLC	Inv 001 - 003 Feb 2 - 18 Fee Notice 2/23/17	(25,000.00)	
	18-Mar	11001	Schwabe, Williamson & Wyatt, PC	Inv #1458939 Fee Notice 2/23/17	(20,818.38)	
	18-Mar	11003	Court Bonds	Policy #63069169 Inv 1163723	(100.00)	
	20-Mar	MISC CHG	Bank of America	Dep related to incoming W/T	0.02	
	30-Mar	11004	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2- 02462-7 SEA Bid Dep Return	(140,000.00)	
	30-Mar	11005	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2- 02462-7 SEA Bid Dep Return	(150,000.00)	
	30-Mar	11017	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2- 02462-7 SEA Bid Dep Return	(165,000.00)	

Cash Receipts & Disbursements
March 1 - 31, 2017

Shoes.com, Inc. / Onlineshoes.com Inc.
 No. 17-2-02462-7 SEA
 Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
 March 1 - 31, 2017

Date	Number	Name	Memo	Amount	Balance
30-Mar	11007	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(258,398.00)	
30-Mar	11008	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(305,000.00)	
30-Mar	11019	Bid Deposit Refund per Log	Shoes.com, Inc. - OLS - Case 17-2-02462-7 SEA Bid Dep Return	(120,000.00)	
30-Mar	11010	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(175,000.00)	
30-Mar	11011	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(170,000.00)	
30-Mar	11013	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(5,000.00)	
30-Mar	11014	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(139,375.00)	
30-Mar	11016	Bid Deposit Refund per Log	Shoes.com, Inc. / OLS - Case 17-2-02462-7 SEA Bid Dep Return	(250,000.00)	
30-Mar	11018	GEODIS Contract Logistics	Acct 0018061 Inv 090-50089600 3/30/17	(2,400.00)	
				(5,210,864.36)	
Balance					218,691.64
Receiver Sale MMA-USB 8887					
Opening Balance					
Deposits					
16-Mar	Transfer	Bid Deposits - from U	Bid Deposit rec'd 3/15/17	165,000.00	
17-Mar	Transfer	Bid Deposits - from U	Bid Deposits rec'd 3/16-17 (15)	3,119,773.00	
31-Mar		Interest Income	Interest Income - USB	68.76	
				3,284,841.76	
Debits					
30-Mar	Transfer	Bid Deposits	Bid Dep to Rec xxxx7060 for Refund	(1,927,773.00)	
				(1,927,773.00)	
Balance					1,357,068.76
Total Cash Balance at 3/31/17					1,699,181.43

Variance Report
Actual to Budget Disbursements
through 3/31/17

Shoes.com, Inc. / Onlineshoes.com Inc.
 No. 17-2-02462-7 SEA
 Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
 March 31, 2017

USS	Budget Feb 2 - 28	Actual Feb 2 - 28	Variance	Budget Mar 1 - 31	Actual Mar 1 - 31	Variance	Variance Feb 2 to Mar 31
Inventory Sales - Cash Receipts Note 1							
Shoes.com, Inc. / Onlineshoes.com (Ohio)	Est Liq	-	-	4,776,361	-	(4,776,361)	(4,776,361)
American Shoe Emporium LLC (net)	Est Liq	-	-	253,199	-	(253,199)	(253,199)
Net Liquidation Costs	10%	-	-	(502,956)	-	502,956	502,956
Total Inventory Sales - Note 5		-	-	4,526,604	-	(4,526,604)	(4,526,604)
Other Dispositions Cash Receipts							
A/R CC Collections - Shoes.com / Onlineshoes.com		374,688	65,911	(308,777)	374,688	1,174	(373,514)
ASE - Amazon Current Sales / Receipts		20,000	-	(20,000)	14,000	116,000	102,000
Cash Receipts - Fixed Asset Sales		-	-	100,000	-	(100,000)	(100,000)
Cash Receipts - IP (Parent IP - TBD)		-	-	-	-	-	-
Other Cash Receipts		16,687	16,687	0	69	69	69
Total Cash Receipts		411,375	82,598	(328,777)	488,688	117,243	(371,445)
Total Cash Receipts		411,375	82,598	(328,777)	5,015,292	117,243	(4,898,049)
Cash Disbursements							
Pre-ReceiverShip Claims							
Pre-ReceiverShip Employee Claims / Wages - Exp Reimb		-	-	-	-	-	-
Unfunded 401K and Med Ins at Shutdown (Empl Deductions -		30,000	-	(30,000)	-	-	(30,000)
ReceiverShip Costs - 2/2 through 5/5/17							
Contract Staffing (through Canada Rec / contracts)		-	-	-	-	-	-
Finance / Sale Support		21,760	-	(21,760)	9,120	-	(9,120)
Inventory Sales		-	-	-	-	-	-
IT / Systems		2,800	-	(2,800)	-	-	(2,800)
Maintenance / Other		-	3,095	3,095	-	1,082	1,082
SubTotal - Contract Staff	Sch 4	24,560	3,095	(21,465)	9,120	1,082	(8,038)
Other Operating and Admin Costs							
3pl - Interim / Inventory Control	TBD	20,000	-	(20,000)	20,000	2,400	(17,600)
Utilities		-	-	-	-	-	-
Shared Facility / Systems Costs (Vancouver / IT)		10,000	-	(10,000)	7,400	-	(7,400)
WA Co-Lo / IT Services - Dig Fortress		7,500	-	(7,500)	10,500	-	(10,500)
Leases		-	-	-	78,522	-	(78,522)
Warehouse / Services - Equipment Rental		15,000	-	(15,000)	15,000	-	(15,000)
Administrative Costs		-	-	-	-	-	-
Insurance - G/L		2,500	-	(2,500)	2,500	-	(2,500)
Insurance - Personal Property		15,000	-	(15,000)	15,000	-	(15,000)
SubTotal - Operating and Admin Costs		70,000	-	(70,000)	148,922	2,400	(146,522)
Sale Costs (Subject to Review / Liq Costs Only incl Above)							
Inv. Broker (Out of Pocket Exp Only / Transaction Fee subject to Contract)		-	-	-	-	-	-
Sale Process - Legal / IP Support (Subject to Sale Process Requirement)		-	-	-	-	-	-
Contract (technical staff) Support - Sale Process		-	-	-	-	-	-
SubTotal - Sale Costs		-	-	-	-	-	-

**Variance Report
Actual to Budget Disbursements
through 3/31/17**

Shoes.com, Inc. / Onlineshoes.com Inc.
No. 17-2-02462-7 SEA
Preliminary - Subject to Reconciliation

ONLINESHOES 5

Shoes.com, Inc. / Onlineshoes.com Inc.
March 31, 2017

US\$	Budget Feb 2 - 28	Actual Feb 2 - 28	Variance	Budget Mar 1 - 31	Actual Mar 1 - 31	Variance	Variance Feb 2 to Mar 31
Receivership Administrative Costs							
<u>Sch 3</u>							
Receiver Fees - Subject to Payment Procedure	56,425	-	(56,425)	42,700	25,000	(17,700)	(74,125)
Receiver Expenses	3,700	-	(3,700)	2,250	-	(2,250)	(5,950)
Receiver Counsel Fees	59,500	-	(59,500)	61,250	20,542	(40,709)	(100,209)
Receiver Counsel Expenses	2,000	-	(2,000)	1,000	277	(723)	(2,723)
Receiver - Bond Fee per Order	100	-	(100)	-	100	100	-
Other Professionals (Appraisals, etc.) per Sch Tax / Accountant	8,000	(10)	(8,010)	-	-	-	(8,010)
SubTotal - Receiver Admin Costs	129,725	(10)	(129,735)	107,200	45,918	(61,282)	(191,017)
Total Cash Disbursements	254,285	3,085	(251,200)	265,242	49,401	(215,841)	(467,041)
Beginning Cash Balance - Note 4	56,000	-	79,513	213,090	69,339	137,181	
Net Cash Change (Funding requirement)	157,090	79,513	(77,577)	4,750,050	67,842	(4,682,208)	
Ending Cash Balance (for Claims Distribution)	213,090	79,513	1,935	4,963,140	137,181	(4,545,026)	
Distributions - Secured Claims	-	(10,173)	(10,173)	-	-	-	(10,173)
Net Cash Balance - Note 5	213,090	69,339	(8,238)	4,963,140	137,181	(4,545,026)	
Bid Deposits - Net at 3/31/17 Note 3	-	-	-	-	1,562,000	1,562,000	1,562,000
Beginning CC A/R Balance - Note 2	1,498,752	1,498,752	-	1,124,064	1,432,841	308,777	
Less Uncollectible A/R (Estimated)	(749,376)	(1,348,877)	(599,501)	(562,032)	(1,397,020)	(834,988)	
Net Collectible A/R Balance	749,376	149,875	(599,501)	562,032	35,821	(526,211)	
Collections (Net - Estimated)	374,688	65,911	(308,777)	374,688	1,174	(373,514)	
Ending A/R Balance	1,124,064	1,432,841	308,777	749,376	1,431,667	682,291	

Note 1: Subject to Detailed Inventory Review and Category Concentrations per Liquidation Analysis, and results of competitive process under Court-approved Sale procedures
 Note 2: Subject to reconciliation of CC A/R and Liquidation Analysis
 Note 3: Bid Deposits Rec'd 3/15-17, net of Bid Dep Returns at 3/31/17
 Note 4: Per Co Records - SC, OLS, ASE - Wells
 Note 5: Before Sale Proceeds per 4/21/17 Closing (\$7,050,000 less Inventory Count Adj)

Schedules B(d-f)
A/R, A/P, Tax Liabilities
Post-Filing

Shoes.com, Inc. / Onlineshoes.com Inc.
 No. 17-2-02462-7 SEA
 Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
 31-Mar-17

Schedule B(d)

Statement of Accrued Accounts Receivable of the Receiver (2/2/17 Forward)

Name	Amount	Estimated Uncollectible Amount
None	N/A	N/A

* Pre-filing A/R per Supplemental Schedule B(d-1)
 Subject to Adjustments / Final Reconciliation

Schedule B(e)

Statement of Accounts Payable of the Receiver (from 2/2/17 Forward), including professional fees

Name	Amount	Aged > 30 Days
A/P - Trade	None	None
A/P - Other	None	None
Accrued (Billed) Receiver Admin (subject to Fee Ap)		
Accrued Receiver Fees and Expenses through 3/31/17	55,861	
Accrued Receiver Legal Fees and Expenses through 3/31/17	51,904	
A/P - Advance - Opening debtsit (USB 7060)	10	
Court Bonds (Rec Bond Premium per Order)		
Accrued IT / Storage - Server Access (Digital Fortress)	9,176	Due to Canadian Receiver (Reimburse)
Accrued Contractor Fees / Expense - Per Canada Rec	19,474	Due to Canadian Receiver (Reimburse)
Accrued Lease Exp - Groveport	93,000	
Accrued Utilities - Other	8,000	
Total Admin Expense Due	136,425	-

Schedule B(f)

Tax disclosure statement - list of postfiling taxes due or tax deposits

Name of Taxing Agency	Amount Due	Date Due
None	None	N/A

Pre-Receivership Property taxes / Sales taxes - est. per Schedules & POC / reconciliations

Schedule B(d-f)
 Other Post-Filing Liabilities
 at 3/31/17

**Accounts Receivable
Estimated at 3/31/17**

Shoes.com, Inc. / Onlineshoes.com Inc.
No. 17-2-02462-7 SEA
Preliminary - Subject to Reconciliation



Shoes.com, Inc. / Onlineshoes.com Inc.
March 31, 2017

	Customer Name	A/R at 2/28/17/17	Collections 2/2 - 2/28/17	Collections 3/1 - 3/31/17	Est A/R at 3/31/17	Est Uncollectible - subj to Reconciliation
1	Borderfree - Amex - 07-1057	1,604	(25,161)			-
2	Borderfree - MC - 21-1057	(3,184)	(19,064)			-
3	Paypal - 08-1057 / 20-1057	141,413			141,413	(137,878)
4	Ebay - 09-1057	16,409			16,409	(15,999)
5	Klarna - OLS - 08-1057	420,383			420,383	(409,874)
6	Klarna - Shoes.com - 20-1057	279,540			279,540	(272,551)
7	Amazon - OLS - 05-1057	527,177				
8	Amazon - Shoes.com - 22-1057		(9,292)		517,885	(504,938)
9	Bluefly - 20-1057	27,689	(16,687)		11,002	(10,727)
10	Rakuten (buy.com) - 08-1057	1,670	(222)		1,448	(1,412)
11	Jet.com - 10-1057	10,708	(1,650)		9,057	(8,831)
12	Sears - 08-1057	2,187	(1,080)		1,107	(1,079)
	Affiliate - Amazon location inventories (est)	89,389		116,000		
	Other A/R Collections (to be Reconciled)				34,597	(33,732)
	Total (subj to Reconciliation and Demand) at 3/31/17	1,514,985	(73,157)	116,000	1,432,841	(1,397,020)

Preliminary - Subject to Reconciliation

Schedule B(d-1)
Supplemental Schedule
A/R at 3/31/17

CERTIFICATE OF SERVICE

The undersigned declares under penalty of perjury, under the laws of the State of Washington, that the following is true and correct:

That on the 3rd day of May, 2017, I arranged for service of the foregoing **RECEIVER'S SECOND REPORT OF OPERATIONS AND FINANCIAL AFFAIRS PURSUANT TO RCW 7.60.100** to the parties to this action as follows:

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<p>George S. Treperinas, Esq., WSBA #15434 gtreperinas@karrtuttle.com Karr Tuttle Campbell 701 Fifth Avenue, Suite 3300 Seattle, WA 98104 Telephone: 206.223.1313 Facsimile: 206.682.7100 <i>Counsel for Caleres Investments Co., An interested party</i> <i>Via email and U.S. Mail</i></p>	<p>Lorne W. Segal, Esq. lorne.segal@gowlingwlg.com Gowling WLG (Canada) LLP 160 Elgin Street, Suite 2600 Ottawa, ON K1P 1C3 CANADA Telephone: 613.233.1781 Facsimile: 613.563.9869 <i>Counsel for Caleres Investments Co., an interested party</i> <i>Via email and U.S. Mail</i></p>
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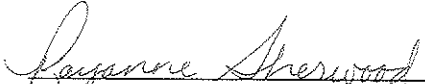
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CERTIFICATE OF SERVICE - 2

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Rayanne Sherwood, Legal Assistant

CERTIFICATE OF SERVICE - 3

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