

 ONLINESHOES
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 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 April 30, 2017

May 31, 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 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 downward only adjustment of \$419,503 (including \$210,000 escrowed), 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 A/R 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, for which a stay is in place, and the Receiver's additional request for a long-term stay in the proceedings is pending.
- 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 \$419,503 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 4/30/17, net (pre-add'l value of the inventory adjustment) sale proceeds and favorable cost variance in the case have exceeded the net cash recovery estimate per the budget by \$1.9mm (Sch B c-1).
4. 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.
5. The Receiver completed the sale process (Auction among Qualified Bidders on 3/28/17), and completed the final sale and Closing pursuant to orders entered in the case by the Court. 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. A pre-receivership litigation matter is pending in the NY court, and a stay is in effect. The Receiver is seeking a longer term stay in the case. Currently, there is no means of estimating potential recoveries, if any, in the matter.
6. The Receiver's motion for approval of an Initial Distribution of proceeds against the Wells Fargo secured claim is pending; the hearing to consider the Motion is scheduled for June 12, 2017.

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
Supplemental Schedule	-	April 21, 2017 Sale – Closing Statement and Reconciliation of Net Proceeds

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

Balance Sheet at April 30, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Book Value at 3/31/17/17	Adjustments - 4/1/17 to 4/30/17	Book Value at 4/30/17	Estimated Value at 4/30/17
Assets						
Cash and bank accounts:						
Receiver Disb Acct USB 7060	-	10	218,692	(223,540)	(4,849)	(4,849)
Receiver MMA Sale Acct USB 8887	-	-	1,357,069	5,233,834	6,590,903	6,590,903
OLS Master Dep Acct - Wells 5678	-	62,873	870	-	870	870
OLS Master Oper Acct - Wells 5686	-	6,456	122,552	(86,552)	36,000	36,000
OLS Manual P/R - Wells 5567	-	-	-	-	-	-
Shoes.com, Inc. Oper Acct - Wells 5592	-	-	-	-	-	-
Other Cash / Accounts	-	-	-	-	-	-
Total Cash Balance		69,339	1,699,181	4,923,742	6,622,923	6,622,923
Inventory: Note 1	Groveport, OH Warehouse	11,062,346	11,062,346	(11,062,346)	-	-
Inventory: Note 1	Amazon Locations (Multiple)	417,150	347,806	(347,806)	-	-
Inventory: Note 1	Red Wing Stores - 2 (Virginia)	595,929	595,929	(595,929)	-	-
Amazon / ASE Account Balance (net of Est Fees)	Note 2				28,662	(5,557)
Amazon: Post 3/28 Rec Adj per Sale Closing				(34,219)	(34,219)	
Accounts Receivable: Note 2		1,426,255	1,309,081	(582)	1,308,499	-
Sale - Closing Reserve (subject to Inventory Adjustment)	Note 1			419,503	419,503	90,000
Equipment: (Net of Accumulated Depreciation) Note 3		1,202,782	1,202,782	(1,202,782)	-	-
Goodwill / Other Intangibles IP		200,000	200,000	(200,000)	-	-
Prepaid Insurance and Other Expenses: *	Insurance / Other Prepays	83,000	76,083	(76,083)	-	-
Deposits *		51,596	48,171		48,171	
Total Assets		15,108,397	16,541,379	(8,176,503)	8,393,539	6,707,366

Balance Sheet at April 30, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Book Value at 3/31/17/17	Adjustments - 4/1/17 to 4/30/17	Book Value at 4/30/17	Estimated Value at 4/30/17
Liabilities						
Accounts Payable						
A/P - Pre-Receivership (Unsecured)		16,198,921	16,198,921		16,198,921	Subject to Claims Reconciliation
A/P - Post-2/2/17 (Admin)		100	-	-	-	
Pre-Receivership Unfunded 401k Withholds		19,360	19,360		19,360	Subject to Claims Reconciliation
Pre-Receivership Wages and Employee-Related Payables		172,698	172,698		172,698	Subject to Claims Reconciliation
Pre-Receivership Taxes Payable		2,289,701	2,289,701		2,289,701	Subject to Claims Reconciliation
Accrued Receiver Admin Expense + Deposits			-		-	
Accrued Receiver Fees / Expense per Notice		47,749	55,861	14,973	70,834	
Accrued Receiver Counsel Fees / Expense - Per Notice		20,818	51,904	25,189	77,094	
Advance - Opening Deposit USB 7060 (Rec Disb Acct)			10		10	
Accrued IT / Storage - Server Access (Digital Fortress)		5,676	9,176	(8,327)	849	
Accrued Contractor Fees / Expense - Per Canada Rec		11,474	19,474	4,576	24,050	
Accrued Admin Exp - Facilities Note 3 (est)		-	93,000	19,897	112,897	
Accrued Admin Exp - Utilities / Other			8,000	5,118	13,118	
Sale: Bid Deposits Payable Note 4			1,512,000	(1,512,000)	-	
SubTotal - Accrued Receivership Admin		85,717	1,749,425	(1,450,573)	298,852	298,852
Other Unsecured Claims per Schedules		52,762,844	52,762,844		52,762,844	Subject to Claims Reconciliation

Balance Sheet at April 30, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Book Value at 3/31/17/17	Adjustments - 4/1/17 to 4/30/17	Book Value at 4/30/17	Estimated Value at 4/30/17
Secured Liabilities						
	Wells Fargo Bank	4,150,000	4,157,118	38,653	4,195,771	Subject to Claims Reconciliation
	Dan Gerler, an Individual	3,000,000	3,000,000		3,000,000	Subject to Claims Reconciliation
	Deans Knight Capital Management Ltd.	7,500,000	7,500,000		7,500,000	Subject to Claims Reconciliation
	Caleres Investment Company, Inc.	7,500,000	7,500,000		7,500,000	Subject to Claims Reconciliation
	Geodis (formerly Ozburn-Hessey Logistics, LLC)	700,000	700,000		700,000	Subject to Claims Reconciliation
	Other		-		-	
	SubTotal - Secured Liabilities	22,850,000	22,857,118	38,653	22,895,771	
	Total Liabilities	94,379,341	96,050,068	(1,411,921)	94,638,147	
	Equity	(79,270,944)	(79,508,688)	(6,764,582)	(86,244,608)	
	Total Liabilities & Equity	15,108,397	16,541,379	(8,176,503)	8,393,539	

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

Note 2: ASE account balance, offset by Amazon payments for post-sale inventory liquidations (post-3/28 payments due to Buyer)

Note 3: NY Litigation Pending and not included on Balance Sheet; Potential Net Recovery cannot be determined at 4/30/17

**Income Statement
through April 30, 2017**

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



Shoes.com, Inc. / Onlineshoes.com Inc.
to April 30, 2017

	February 2, 2017 (Order Date) to February 28, 2017	March 1 - 31, 2017	April 1 - 30, 2017	Total - to April 30, 2017
Revenues / Invoicing	-	69	114	69
Subject to Reconciliation of Amazon Location Inv Sales				
Expenses				
Expense (Cash / Accrued)				
50000 · Expenses				
Contractor Services (Canadian Receiver / Shared - US Rec Portion (est - subject to Invoice)	11,474	24,050	6,390	41,914
Computer Services - Digital Fortress Co-Lo / Shared / Storage - US Rec Portion	5,676	849	5,614	12,139
51000 · Receivership Admin Exp				
51100 · Rec - Fees per Fee Ap	46,350	33,113	68,438	147,900
51200 · Rec - Expenses per Fee Ap	1,399		2,396	3,795
51300 · Receivers Bond	100			100
51400 · Rec - Legal Fees/Exp per Fee Ap	20,818	51,904	77,094	149,816
Total 51000 · Receivership Admin Exp	68,667	85,017	147,928	301,611
Bank Service Charges	3,095	1,082	1,133	5,311
Facilities Leases		93,000	19,897	112,897
Utilities		8,000	5,118	13,118
Other - GEODIS Sale / Inventory Related Exp		2,400	5,441	2,400
Total 50000 - Expenses	88,912	214,398	191,521	489,390
Total Pre-Tax Income (Expense)	(88,912)	(214,329)	(191,408)	(489,322)

Schedule B(b)
Income Statement
through 4/30/17

Cash Receipts & Disbursements
April 1 - 30, 2017

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



Shoes.com, Inc. / Onlineshoes.com Inc.

April 1 - 30, 2017

Date	Number	Name	Memo	Amount	Balance
Wells Fargo - OLS Master Deposit Acct 5678					
Opening Balance					869.52
Deposits					
Debits					
Balance					869.52

Wells Fargo - OLS Master Deposit Acct 5686					
Opening Balance					122,551.51
Deposits					
4-Apr			Affiliated Group ACH	581.90	
20-Apr			Wells - Service Chgs Rev	91.38	
28-Apr			Wells ASE (Amazon) W/T	36,000.00	
				36,673.28	
Debits					
13-Mar		Transfer to USB 7060	Client Analysis Svc Chrg 170310 Svc Chge 0217 000004128495686	(122,000.00)	
11-Apr		Bank Service Chgs	Client Analysis Svc Chrg 170410 Svc Chge 0317 000004128495686	(1,099.79)	
19-Apr		Bank Service Chgs	Wells - ZBA Chg / Wells 5592	(125.00)	
				(123,224.79)	
Balance					36,000.00

Receiver Disbursement-USB 7060					
Opening Balance					218,691.64
Deposits					
7-Apr		Transfer	Funds Transfer-from Wells 5686 to usb 7060 - w/ ASE Funds \$116k	122,000.00	
21-Apr		Net Sale Proceeds - Wolverine / Tiger - eTailz	Sale Closing - Net Proceeds	5,885,720.00	
24-Apr			Funds Transfer-from USB 8887 - Shoebacca Bid Dep Return	311,000.00	
24-Apr			Funds Transfer-from USB 8887 - DSW Bid Dep Return	496,000.00	
				6,814,720.00	
Debits					
8-Apr 11024		Oswego Group LLC	Inv 001 - 003 Feb 2 - 18 Fee Notice 2/23/17	(22,748.60)	
8-Apr 11025		Alvarez & Marsal Canada ULC	Contract Staff / Dig Fort Reimb to 3/3/17	(23,553.03)	
8-Apr 11026		Oswego Group LLC	Inv 004 - 005 Feb 19 - Mar 4 Fee Notice 3/27/17	(33,112.50)	
8-Apr 11027		Schwabe, Williamson & Wyatt, PC	Inv #1463149 Fee Notice 3/27/17	(51,904.24)	
17-Apr 11036		GEODIS Contract Logistics	Inv Initial Count Svcs-50% Inv 090-50091183	(5,441.20)	
24-Apr 11031		Shoebacca, Ltd.	Bid Deposit Refund per Log	(311,000.00)	

Schedule B(c)

Cash Receipts & Disbursements
 April 1 - 30, 2017

Cash Receipts & Disbursements
April 1 - 30, 2017

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



Shoes.com, Inc. / Onlineshoes.com Inc.

April 1 - 30, 2017

Date	Number	Name	Memo	Amount	Balance
24-Apr		3/31 Prevailing Bid Dep Increase to 8887	Funds Transfer-Wolverine / Tiger Bid Dep Incr - 3/31 - to USB 8887	(155,000.00)	
24-Apr		Sale Proceeds - Transfer to 8887	Funds Transfer-Wolverine Closing Payment - per BOS - to USB 8887	(1,500,000.00)	
24-Apr		Sale Proceeds - Transfer to 8887	Funds Transfer-Tiger Closing Payment per BOS - to USB 8887	(2,192,860.00)	
24-Apr		Sale Proceeds - Transfer to 8887	Funds Transfer-eTailz Closing Payment per BOS - to USB 8887	(2,192,860.00)	
25-Apr	11033	DSW Inc.	Bid Deposit Refund per Log	(496,000.00)	
25-Apr	11034	Wal-Mart Stores, Inc.	Replacement - Lost Check / Bid Deposit Return	(50,000.00)	
30-Apr	11035	Digital Fortress	Gerler & Son - Client No. 144075 Inv 260172 4/4/17	(3,780.78)	
				(7,038,260.35)	
Balance					(4,848.71)
Receiver Sale MMA-USB 8887					
Opening Balance					1,357,068.76
Deposits					
24-Apr			Funds Transfer-Wolverine / Tiger Bid Dep Incr - 3/31 - to USB 8887	155,000.00	
24-Apr			Funds Transfer-Wolverine Closing Payment - per BOS - to USB 8887	1,500,000.00	
24-Apr			Funds Transfer-Tiger Closing Payment per BOS - to USB 8887	2,192,860.00	
24-Apr			Funds Transfer-eTailz Closing Payment per BOS - to USB 8887	2,192,860.00	
28-Apr			Interest	113.88	
				6,040,833.88	
Debits					
24-Apr	Transfer	Bid Deposits	Funds Transfer - from from USB MMA 8887-Shoebacca Bid Dep Return	(311,000.00)	
24-Apr		Bid Deposits	Funds Transfer-from USB 8887 - DSW Bid Dep Return	(496,000.00)	
				(807,000.00)	
Balance					6,590,902.64
Total Cash Balance at 4/30/17					6,622,923.45

**Variance Report
Actual to Budget Disbursements
through 4/30/17**

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



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

US\$	Budget Feb 2 - 28	Actual Feb 2 - 28	Variance	Budget Mar 1 - 31	Actual Mar 1 - 31	Variance	Budget Apr 1 - 30	Actual Apr 1 - 30	Variance	Variance Feb 2 to Apr 30	
Inventory Sales - - Cash Receipts Note 1											
Shoes.com, Inc. / Onlineshoes.com (Ohio)	Est Liq	-	-	4,776,361	-	(4,776,361)	-	5,050,000	5,050,000	20,440	
American Shoe Emporium LLC (net)	Est Liq	-	-	253,199	-	(253,199)	-	-	-	-	
Net Liquidation Costs	10%	-	-	(502,956)	-	502,956	-	(39,777)	(39,777)	463,179	
Inventory Adjustment Reserve (\$210k in Escrow)		-	-	-	-	-	-	(419,503)	(419,503)	(419,503)	
Total Inventory Sales - Note 5		-	-	4,526,604	-	(4,526,604)	-	4,590,720	4,590,720	64,116	
Other Dispositions Cash Receipts											
A/R CC Collections - Shoes.com / Onlineshoes.com		374,688	65,911	(308,777)	374,688	1,174	(373,514)	-	582	582	(681,709)
ASE - Amazon Current Sales / Receipts		20,000	-	(20,000)	14,000	116,000	102,000	-	36,000	36,000	118,000
Cash Receipts - Fixed Asset Sales		-	-	-	100,000	-	(100,000)	-	-	-	(100,000)
Cash Receipts - IP (subj to allocation)		-	-	-	-	-	-	2,000,000	2,000,000	2,000,000	2,000,000
Other Cash Receipts		16,687	16,687	0	-	69	69	-	114	114	183
Total Cash Receipts		411,375	82,598	(328,777)	488,688	117,243	(371,445)	-	2,036,696	2,036,696	1,336,473
Total Cash Receipts		411,375	82,598	(328,777)	5,015,292	117,243	(4,898,049)	-	6,627,416	6,627,416	1,400,590
Cash Disbursements											
Pre-Receiverhip Claims											
Pre-Receiverhip Employee Claims / Wages - Exp Reimb		-	-	-	-	-	-	-	-	-	
Unfunded 401K and Med Ins at Shutdown n (Empl Deductions - Est.)		30,000	-	(30,000)	-	-	-	-	-	(30,000)	
Receiverhip Costs - 2/2 through 5/5/17											
Contract Staffing (through Canada Rec / contracts)		21,760	-	(21,760)	9,120	-	(9,120)	20,000	-	(20,000)	(50,880)
Finance / Sale Support		-	-	-	-	-	-	-	-	-	
Inventory Sales		-	-	-	-	-	-	-	-	-	
IT / Systems		2,800	-	(2,800)	-	-	-	-	-	(2,800)	
Maintenance / Other		-	-	-	-	-	-	16,053	16,053	16,053	
SubTotal - Contract Staff		24,560	-	(24,560)	9,120	-	(9,120)	20,000	16,053	(3,947)	(37,627)
Other Operating and Admin Costs											
3pl - Interim / Inventory Control		20,000	-	(20,000)	20,000	2,400	(17,600)	-	-	-	(37,600)
Utilities / Bank Service Charges		-	3,095	3,095	-	1,082	1,082	-	1,133	1,133	5,311
Shared Facility / Systems Costs (Vancouver / IT)		10,000	-	(10,000)	7,400	-	(7,400)	2,400	7,500	5,100	(12,300)
WA Co-fo / IT Services - Dig Fortress		7,500	-	(7,500)	10,500	-	(10,500)	-	3,781	3,781	(14,219)
Leases		-	-	-	78,522	-	(78,522)	78,522	-	(78,522)	(157,044)
Warehouse / Services - Equipment Rental		15,000	-	(15,000)	15,000	-	(15,000)	-	-	-	(30,000)
Administrative Costs		-	-	-	-	-	-	-	-	-	
Insurance - G/L		2,500	-	(2,500)	2,500	-	(2,500)	-	-	-	(5,000)
Insurance - Personal Property		15,000	-	(15,000)	15,000	-	(15,000)	-	-	-	(30,000)
SubTotal - Operating and Admin Costs		70,000	3,095	(66,905)	148,922	3,482	(145,440)	80,922	12,414	(68,508)	(280,852)
Sale Costs (Subject to Review / Liq Costs Only incl Above)											
Inv. Broker (Out of Pocket Exp Only / Transaction Fee subject to Contract Sale Proceeds Minimum)		-	-	-	-	-	-	-	-	-	
Sale Process - Legal / IT Support (subject to Sale Process Requirement)		-	-	-	-	-	-	-	-	-	
Contract (technical staff) Support - Sale Process / Prelim Inv Count Pre-Closing (50%)		-	-	-	-	-	-	5,441	5,441	5,441	
SubTotal - Sale Costs		-	-	-	-	-	-	5,441	5,441	5,441	

**Variance Report
Actual to Budget Disbursements
through 4/30/17**

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



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

US\$	Budget Feb 2 - 28	Actual Feb 2 - 28	Variance	Budget Mar 1 - 31	Actual Mar 1 - 31	Variance	Budget Apr 1 - 30	Actual Apr 1 - 30	Variance	Variance Feb 2 to Apr 30
Receivership Administrative Costs										
Receiver Fees - Subject to Payment Procedure	56,425	-	(56,425)	42,700	25,000	(17,700)	33,550	54,463	20,913	(53,213)
Receiver Expenses	3,700	-	(3,700)	2,250	-	(2,250)	1,750	1,399	(351)	(6,301)
Receiver Counsel Fees	59,500	-	(59,500)	61,250	20,542	(40,709)	31,550	50,488	18,938	(81,271)
Receiver Counsel Expenses	2,000	-	(2,000)	1,000	277	(723)	2,000	1,417	(583)	(3,306)
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)	68,850	107,765	38,915	(152,101)
Total Cash Disbursements	254,285	3,085	(251,200)	265,242	49,401	(215,841)	169,772	141,674	(28,098)	(495,139)
Net Cash Change	157,090	79,513	(77,577)	4,750,050	67,842	(4,682,208)	(169,772)	6,485,742	6,655,514	1,895,729
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Beginning Cash Balance - Note 4	56,000	-	-	243,090	69,339	-	5,030,540	137,181	-	-
Net Cash Change (Funding requirement)	157,090	79,513	(77,577)	4,750,050	67,842	(4,682,208)	(169,772)	6,485,742	6,655,514	1,895,729
Ending Cash Balance (for Admin / Claims Distribution)	213,090	79,513	(77,577)	4,993,140	137,181	(4,682,208)	4,860,768	6,622,923	-	-
Distributions - Secured Claims	-	(10,173)	(10,173)	-	-	-	-	-	-	(10,173)
Net Cash Balance - Note 5	213,090	69,339	(87,751)	4,993,140	137,181	(4,682,208)	4,860,768	6,622,923	-	1,885,555
<hr/>										
Bid Deposits - Net at 3/31/17 Note 3	-	-	-	-	1,562,000	1,562,000	-	-	-	1,562,000

Note 1: Subject to Allocation and final count / adjustments (increase only)

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; Balance Returned (Back-Up Bid) / Applied (Prevailing Bid) at Sale Closing

Note 4: Per Co Records - SC, OLC, ASE - Wells

Note 5: Subject to Partial Recovery against Inventory Adjustment Reserve

Note 6: Pending NY Litigation - Unable to Determine Estimated Value / Collectibility at 4/30/17

**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.
30-Apr-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		
** Inventory Adjustment Reserve		
- Sale Closing	419,503	TBD

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)		
Receiver Fees and Expenses per Fee Notice through 3/31/17	70,834	
Receiver Legal Fees and Expenses per Fee Notice through 4/30/17	77,094	
A/P - Advance - Opening debtsit (USB 7060)	10	
Court Bonds (Rec Bond Premium per Order)		
Accrued IT / Storage - Server Access (Digital Fortress)	849	
Accrued Contractor Fees / Expense - Per Canada Rec	24,050	Due to Canadian Receiver (Reimburse)
Accrued Lease Exp - Groveport (Note 1)	112,897	
Accrued Utilities - Other	13,118	
Total Admin Expense Due 4/30/17	298,852	-

Note 1: Paid \$72,062 on 5/9/17; Balance of \$40,835 subject to disposition of pre-receivership lease deposit

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		

Accounts Receivable Estimated at 4/30/17

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



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

	Customer Name	A/R at 2/28/17/17	Collections 2/2 - 2/28/17	Collections 3/1 - 3/31/17	Collections 4/1 - 4/30/17	Est A/R at 4/30/17	Est Uncollectible - subj to Reconciliation
1	Borderfree - Amex - 07-1057	1,604	(25,161)			(23,558)	
2	Borderfree - MC - 21-1057	(3,184)	(19,064)			(22,248)	
3	Paypal - 08-1057 / 20-1057	141,413				141,413	141,413
4	Ebay - 09-1057	16,409				16,409	16,409
5	Klarna - OLS - 08-1057	420,383				420,383	420,383
6	Klarna - Shoes.com - 20-1057	279,540				279,540	279,540
7	Amazon - OLS - 05-1057	527,177					
8	Amazon - Shoes.com - 22-1057		(9,292)			517,885	517,885
9	Bluefly - 20-1057	27,689	(16,687)			11,002	11,002
10	Rakuten (buy.com) - 08-1057	1,670	(222)			1,448	1,448
11	Jet.com - 10-1057	10,708	(1,650)			9,057	9,057
12	Sears - 08-1057	2,187	(1,080)			1,107	1,107
	Affiliate - Amazon location inventories (est)	89,389		(116,000)	(36,000)	(62,611)	
	Other A/R Collections (to be Reconciled)						-
	Total (subj to Reconciliation and Demand) at 4/30/17	1,514,985	(73,157)	(116,000)	(36,000)	1,289,828	1,398,245

Preliminary - Subject to Reconciliation

Schedule B(d-1)
Supplemental Schedule
A/R at 4/30/17

**Shoes.com, Inc /
Onlineshoes.com Inc.
Sale Closing Statement**

Shoes.com, Inc. / Onlineshoes.com Inc.
No. 17-2-02462-7 SEA

April 21, 2017



Shoes.com, Inc. / Onlineshoes.com Inc.
30-Apr-17

Closing Statement - 4/21/17
Per Sale Order dtd. 4/3/17

Purchase Price:	7,050,000.00	
Good Faith Deposit:	(705,000.00)	
Amazon Accounts/Cure Amounts:	(23,000.00)	
Post-March 28 Auction Amazon Accounts Reconciliation;	(16,777.00)	
Initial Inventory Count Adjustment to Purchase Price:	(419,503.00)	
Net Due to Receiver at Closing:		5,885,720.00
Sources:		
Wolverine:	1,500,000.00	
etailz Inc.	2,192,860.00	
Tiger Capital Group, LLC	2,192,860.00	
Escrow deposit pending Final Inventory Reconciliation: (Note 1)	210,000.00	
Sources:		
etailz. Inc.	105,000.00	
Tiger Capital Group, LLC	105,000.00	
Total:		6,095,720.00
Bid Deposit Applied		705,000.00
Total Sale Proceeds (Net)		6,800,720.00
Total Inventory Count Reserve (Note 2)	419,503.00	
Escrow (included above)	210,000.00	
Add'l Reserve	209,503.00	209,503.00
Net Sale Proceeds (subject to Inv Adj - Cap of \$419,503)		7,010,223.00

Note 1: Held at Bush Strout - Seattle

Note 2: Receivership recovery (increase to net sale proceeds only), subject to final count and verification of move-out, shipping, receiving documents and truck manifests

Sale Closing Statement

at 4/21/17