

 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 (Initial)  
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

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

# 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 4/23/17.
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 Debtor's, Inc., 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
<b>Assets</b>					
<b>Cash and bank accounts:</b>					
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	-	-	-	-	-
<b>Total Cash Balance</b>		<b>69,339</b>	<b>1,629,842</b>	<b>1,699,181</b>	<b>1,699,181</b>
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 Prepays	83,000	(6,917)	76,083	
Deposits *		51,596	(3,425)	48,171	
<b>Total Assets</b>		<b>15,108,397</b>	<b>1,432,982</b>	<b>16,541,379</b>	<b>8,269,901</b>

## 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
<b>Liabilities</b>					
<b>Accounts Payable</b>					
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
<b>Accrued Receiver Admin Expense + Deposits</b>					
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	
<b>Sale: Bid Deposits Payable Note 4</b>			<b>1,512,000</b>	<b>1,512,000</b>	
<b>SubTotal - Accrued Receivership Admin</b>		<b>85,717</b>	<b>1,663,708</b>	<b>1,749,425</b>	<b>1,749,425</b>
Other Unsecured Claims per Schedules		52,762,844		52,762,844	Subject to Claims Reconciliation
<b>Secured Liabilities</b>					
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				-	
<b>SubTotal - Secured Liabilities</b>		<b>22,850,000</b>	<b>7,118</b>	<b>22,857,118</b>	
<b>Total Liabilities</b>		<b>94,379,341</b>	<b>1,670,727</b>	<b>96,050,068</b>	
Equity		(79,270,944)	(237,745)	(79,508,688)	
<b>Total Liabilities &amp; Equity</b>		<b>15,108,397</b>	<b>1,432,982</b>	<b>16,541,379</b>	

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
<b>Revenues / Invoicing</b>	-	69	69
Subject to Reconciliation of Amazon Location Inv Sales			
<b>Expenses</b>			
Expense (Cash / Accrued Only)			
<b>50000 · Expenses</b>			
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
<b>51000 · Receivership Admin Exp</b>			
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			-
<b>Total 50000 - Expenses</b>	<b>85,817</b>	<b>214,667</b>	<b>300,484</b>
<b>Total Pre-Tax Income (Expense)</b>	<b>(85,817)</b>	<b>(214,598)</b>	<b>(300,415)</b>

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

<b>Wells Fargo - OLS Master Deposit Acct 5686</b>					
<b>Opening Balance</b>					<b>6,455.98</b>
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)	
<b>Balance</b>					<b>122,551.51</b>

<b>Receiver Disbursement-USB 7060</b>					
<b>Opening Balance</b>					<b>10.00</b>
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	
				<b>5,429,546.00</b>	
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.  
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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)	
				<b>(5,210,864.36)</b>	
<b>Balance</b>					<b>218,691.64</b>
<b>Receiver Sale MMA-USB 8887</b>					
<b>Opening Balance</b>					
-					
<b>Deposits</b>					
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	
				<b>3,284,841.76</b>	
<b>Debits</b>					
30-Mar	Transfer	Bid Deposits	Bid Dep to Rec xxxx7060 for Refund	(1,927,773.00)	
				<b>(1,927,773.00)</b>	
<b>Balance</b>					<b>1,357,068.76</b>
<b>Total Cash Balance at 3/31/17</b>					<b>1,699,181.43</b>

**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

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
<b>Inventory Sales - - Cash Receipts Note 1</b>							
Shoes.com, Inc. / Onlineshoes.com (Ohio)	-	-	-	4,776,361	-	(4,776,361)	(4,776,361)
American Shoe Emporium LLC (net)	-	-	-	253,199	-	(253,199)	(253,199)
Net Liquidation Costs	10%	-	-	(502,956)	-	502,956	502,956
<b>Total Inventory Sales - Note 5</b>	-	-	-	<b>4,526,604</b>	-	<b>(4,526,604)</b>	(4,526,604)
<b>Other Dispositions Cash Receipts</b>							
A/R CC Collections - Shoes.com / Onlineshoes.com	374,688	65,911	(308,777)	374,688	1,174	(373,514)	(682,291)
ASE - Amazon Current Sales / Receipts	20,000	-	(20,000)	14,000	116,000	102,000	82,000
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
<b>Total Cash Receipts</b>	<b>411,375</b>	<b>82,598</b>	<b>(328,777)</b>	<b>488,688</b>	<b>117,243</b>	<b>(371,445)</b>	<b>(700,222)</b>
<b>Total Cash Receipts</b>	<b>411,375</b>	<b>82,598</b>	<b>(328,777)</b>	<b>5,015,292</b>	<b>117,243</b>	<b>(4,898,049)</b>	<b>(5,226,826)</b>
<b>Cash Disbursements</b>							
<b>Pre-Receiverhip Claims</b>							
Pre-Receiverhip Employee Claims / Wages - Exp Reimb	-	-	-	-	-	-	-
Unfunded 401K and Med Ins at Shutdown (Empl Deductions -	30,000	-	(30,000)	-	-	-	(30,000)
<b>Receiverhip Costs - 2/2 through 5/5/17</b>							
Contract Staffing (through Canada Rec / contracts)	-	-	-	-	-	-	-
Finance / Sale Support	21,760	-	(21,760)	9,120	-	(9,120)	(30,880)
Inventory Sales	-	-	-	-	-	-	-
IT / Systems	2,800	-	(2,800)	-	-	-	(2,800)
Maintenance / Other	-	3,095	3,095	-	1,082	1,082	4,177
<b>SubTotal - Contract Staff</b>	<b>24,560</b>	<b>3,095</b>	<b>(21,465)</b>	<b>9,120</b>	<b>1,082</b>	<b>(8,038)</b>	<b>(29,503)</b>
<b>Other Operating and Admin Costs</b>							
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)	(17,400)
WA Co-Lo / IT Services - Dig Fortress	7,500	-	(7,500)	10,500	-	(10,500)	(18,000)
Leases	-	-	-	78,522	-	(78,522)	(78,522)
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)
<b>SubTotal - Operating and Admin Costs</b>	<b>70,000</b>	<b>-</b>	<b>(70,000)</b>	<b>148,922</b>	<b>2,400</b>	<b>(146,522)</b>	<b>(216,522)</b>
<b>Sale Costs (Subject to Review / Liq Costs Only incl Above)</b>							
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	-	-	-	-	-	-	-
<b>SubTotal - Sale Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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

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
<b>Receivership Administrative Costs</b>							
<a href="#">Sch 3</a>							
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)
<b>SubTotal - Receiver Admin Costs</b>	<b>129,725</b>	<b>(10)</b>	<b>(129,735)</b>	<b>107,200</b>	<b>45,918</b>	<b>(61,282)</b>	<b>(191,017)</b>
<b>Total Cash Disbursements</b>	<b>254,285</b>	<b>3,085</b>	<b>(251,200)</b>	<b>265,242</b>	<b>49,401</b>	<b>(215,841)</b>	<b>(467,041)</b>
<b>Beginning Cash Balance - Note 4</b>	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)	
<b>Ending Cash Balance (for Claims Distribution)</b>	<b>213,090</b>	<b>79,513</b>	<b>1,935</b>	<b>4,963,140</b>	<b>137,181</b>	<b>(4,545,026)</b>	
<b>Distributions - Secured Claims</b>	-	(10,173)	(10,173)	-	-	-	(10,173)
<b>Net Cash Balance - Note 5</b>	<b>213,090</b>	<b>69,339</b>	<b>(8,238)</b>	<b>4,963,140</b>	<b>137,181</b>	<b>(4,545,026)</b>	
<b>Bid Deposits - Net at 3/31/17 Note 3</b>	-	-	-	-	<b>1,562,000</b>	<b>1,562,000</b>	<b>1,562,000</b>
<b>Beginning CC A/R Balance - Note 2</b>	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)	
<b>Net Collectible A/R Balance</b>	<b>749,376</b>	<b>149,875</b>	<b>(599,501)</b>	<b>562,032</b>	<b>35,821</b>	<b>(526,211)</b>	
Collections (Net - Estimated)	374,688	65,911	(308,777)	374,688	1,174	(373,514)	
<b>Ending A/R Balance</b>	<b>1,124,064</b>	<b>1,432,841</b>	<b>308,777</b>	<b>749,376</b>	<b>1,431,667</b>	<b>682,291</b>	

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)
	<b>Total (subj to Reconciliation and Demand) at 3/31/17</b>	<b>1,514,985</b>	<b>(73,157)</b>	<b>116,000</b>	<b>1,432,841</b>	<b>(1,397,020)</b>

Preliminary - Subject to Reconciliation