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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

DECLARATION OF JOHN L.  
DAVIDSON

The undersigned makes the following Declaration under penalty of perjury as  
permitted under RCW 9A.72.085.

1. I am the managing member and authorized representative of Oswego Group  
LLC, doing business as Inverness Group (“Receiver”). Unless otherwise stated herein, I  
have personal knowledge of the facts set forth herein and am competent to testify hereto. I  
make this declaration of my own personal knowledge and in support of the Receiver’s  
Omnibus Motion to (1) Approve Final Report, (2) Authorize Distribution of Remaining  
Estate Property, (3) Authorize Abandonment of Records, (4) Disallow and Re-Characterize

DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 1

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1 Certain Claims Filed as Secured Claims, (5) Exonerate the Receiver’s Bond, (6) Discharge  
2 Receiver and Terminate Receivership, and (7) for Related Relief (the “Motion”).<sup>1</sup>

3 2. Attached as Exhibit 1 is the Receiver’s Final Report, submitted pursuant to  
4 RCW 7.60.290 and paragraph 27 of the Stipulated Order Appointing General Receiver  
5 entered herein on February 2, 2017 (the “Receivership Order”).  
6

7 3. On information and belief, on or about January 27, 2017, the senior  
8 management of Onlineshoes.com Inc., and Shoes.com, Inc. (together, “Debtors”), announced  
9 the immediate suspension of business activities and terminated all of their employees. All  
10 employees were instructed to leave the Debtors’ offices, final payroll checks were issued,  
11 and there was reportedly little or no notice of the decision and the terminations provided by  
12 management to the Debtors’ lenders, vendors, customers or other stakeholders.  
13

14 4. On information and belief, the decision to suspend operations and terminate  
15 staff reflected a severe liquidity problem and followed Debtors’ inability to obtain new or  
16 additional financing to support ongoing operations. At that time, per their records, Debtors,  
17 as co-borrowers, owed approximately \$25 million to their secured lenders, and owed  
18 approximately \$72 million to their unsecured creditors, which included their product  
19 suppliers.  
20

21 5. On information and belief, prior to the commencement of this receivership  
22 case the Debtors operated online and two fixed location retail sales businesses that were  
23 generally focused on the sale of men’s and women’s quality dress, casual and athletic  
24 footwear into the United States market. The larger of the two, OLS, is reportedly the oldest  
25

26 \_\_\_\_\_  
<sup>1</sup> Capitalized terms not otherwise defined in this Declaration have the meanings ascribed to them in the Motion.

1 online footwear retailer in the United States.

2 6. On information and belief, despite two to three years of significant sales  
3 growth, and despite significant investment and debt funding to support their rapid expansion,  
4 Debtors were unable to achieve profitability. Consequently, Debtors announced the  
5 immediate shutdown of operations on January 27, 2017.  
6

7 7. Following discussions between representatives of Debtors' boards and their  
8 first priority secured lender, Petitioner Wells Fargo Bank, National Association ("Wells  
9 Fargo"), on February 2, 2017, Wells Fargo filed its Petition for Appointment of General  
10 Receiver and (jointly with Debtors) the Joint Motion for Entry of Stipulated Order  
11 Appointing General Receiver. Pursuant to the Receivership Order, Inverness Group was  
12 appointed general receiver on February 2, 2017 (the "Appointment Date").  
13

14 8. The Receiver filed with the Court a Receiver's Bond dated effective as of  
15 February 7, 2017, in the amount of \$10,000.00, through Western Surety Company, as surety  
16 (Bond No. 63069169) (the "Bond").

17 9. On February 23, 2017, the Receiver, through its counsel, served a Notice of  
18 Receivership and Proof of Claim form on Debtors' creditors, owners, and other stakeholders.  
19 Pursuant to the Notice of Receivership and Proof of Claim form, the deadline for creditors  
20 other than state agencies to submit their claims to the Receiver was March 28, 2017. The  
21 Notice of Receivership also referred creditors and other stakeholders in the receivership case  
22 to a website, established by the Receiver, where significant events and orders of this Court  
23 were regularly posted by the Receiver.  
24

25 10. At the outset of the receivership, the Receiver reviewed a number of factors  
26

1 that are key to decisions and timing to provide the best opportunity to maximize recovery for  
2 the Receivership Estate's stakeholders. These included: (a) the circumstances at OLS and  
3 Shoes.com following management's and the Board's decision to suspend operations and to  
4 terminate all staff six days prior to entry of the Receivership Order, (b) the significant and  
5 unsustainable financial and operating losses of Debtors for fiscal years 2015 and 2016, (c)  
6 the status of customer channels, supplier conditions, and prospects for obtaining necessary  
7 financing to purchase product, return qualified staff, and restart operations, and (d) the  
8 inability of management and Debtors' equity owners to source necessary funding to continue  
9 operations prior to the shutdown.  
10

11       11. As a result of this review, the Receiver determined that a restart of the  
12 Debtors' businesses within the receivership was not feasible, and that a well-solicited, open  
13 and competitive sale process offered the potential for best value to creditors and other  
14 stakeholders. The Receiver retained certain former employees of Debtors to assist with,  
15 among other things, records retrieval, background, and technical and marketing support and  
16 analysis to support the Receiver's sale steps and to generate interest among qualified buyers  
17 for substantially all of Debtors' business assets ("Assets").  
18

19       12. To assure that the Assets realized the highest value, the Receiver requested  
20 that the Court first enter an order approving certain bid and auction procedures (the "Bid  
21 Procedures") so that the Assets would be subject to a competitive bid and auction process.  
22 To that end, on February 28, 2017, the Receiver filed the Receiver's Motion for Orders: (1)  
23 Approving the Sale of Assets Free and Clear of Liens, Claims, Encumbrances and Interests;  
24 (2) Approving Bid and Auction Procedures; (3) Scheduling Hearing to Approve Sale of  
25  
26

DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 4

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1 Assets; and (4) Approving Assumption and Assignment of Executory Contracts (the “Sale  
2 Motion”).

3 13. On March 8, 2017, the Court entered the Order (1) Scheduling a Sale  
4 Approval Hearing, (2) Approving Bid and Auction Procedures, and (3) Granting Related  
5 Relief (the “Bid Procedures Order”). Pursuant to the Bid Procedures Order, the Court  
6 approved the Bid Procedures for the Receiver’s sale of the Assets.  
7

8 14. On March 28, 2017, pursuant to the Court-approved Bid Procedures and the  
9 Sale Motion, the Receiver sold substantially all of the assets of the Receivership Estate at  
10 public auction, subject to approval of the Court.

11 15. On April 3, 2017, the Court granted the Sale Motion and entered the Order (1)  
12 Approving Sale of Assets Free and Clear of Liens, Claims, Encumbrances and Interests, (2)  
13 Approving Assumption and Assignment of Executory Contracts, and (3) Granting Related  
14 Relief (the “Sale Approval Order”).<sup>2</sup>  
15

16 16. Pursuant to both (a) the Sale Approval Order and, (b) the April 3, 2017, Asset  
17 Purchase and Sale Agreement attached thereto (“Agreement”), on April 21, 2017, the sale of  
18 the Assets closed (the “Sale”). Pursuant to the terms of the Agreement, the Receiver  
19 received \$6,590,720 (net of certain costs paid at closing), subject to a final inventory count  
20 and reconciliation. On February 21, 2018, the Receiver received an additional \$154,633.30  
21 in Sale proceeds, as the final adjustment to the purchase price following a final inventory  
22 reconciliation.  
23

24 17. On June 12, 2017, the Court entered the Agreed Order (1) Allowing Claim of  
25

26 \_\_\_\_\_  
<sup>2</sup> Capitalized terms not otherwise defined in this declaration have the meanings  
ascribed to them in the Motion.

1 Wells Fargo, and (2) Authorizing Payment of Wells Fargo’s Secured Claim. Pursuant to that  
2 order, the Receiver paid Wells Fargo \$4,222,092, inclusive of accrued interest and attorneys’  
3 fees, in full satisfaction of Wells Fargo’s secured claim. The Receivership Estate  
4 subsequently received \$249,237.65 from Wells Fargo, refunding that portion of the payment  
5 to Wells Fargo representing an unfunded standby letter of credit balance.  
6

7 18. On September 29, 2017, the Court entered the Agreed Order on Motion of  
8 GEODIS Logistics, LLC for Order Directing Payment of its Secured Claim. Pursuant to that  
9 order, the Receiver paid GEODIS Logistics \$237,500.00, and the balance of GEODIS  
10 Logistics’ claim was disallowed.

11 19. On January 16, 2018, the Court entered the Stipulated Order (1) Allowing  
12 Claims of Daniel Gerler and Caleres Investment Company, Inc., and (2) Authorizing  
13 Distribution of Estate Property to Daniel Gerler and Caleres Investment Company, Inc. (the  
14 “January Distribution Order”). Pursuant to that order, on January 18, the Receiver (a) paid  
15 Gerler \$1,600,000 and transferred the Litigation Claim (as that term is defined in the January  
16 Distribution Order), as an interim distribution on the Gerler Secured Claim (defined below),  
17 and (b) paid Caleres Investment Company, Inc. (“Caleres”), \$235,000 as a final distribution  
18 on its secured claim. A true copy of the January 18, 2018, Assignment of Claims, pursuant  
19 to which OLS assigned the Litigation Claim to Gerler, is attached and incorporated as  
20 Exhibit 2.  
21

22  
23 20. Gerler has the first priority security interest in the remaining assets of the  
24 Receivership Estate, including the proceeds of Sale, because the claims of other secured  
25 creditors have either been paid, disallowed, waived, or withdrawn. Specifically, (a) Wells  
26

1 Fargo's claim has been paid in full, (b) the unpaid balance of GEODIS Logistics' claim has  
2 been disallowed by order of this Court, (c) Deans Knight Capital Management Ltd. has  
3 withdrawn its secured claim, and (d) pursuant to an agreement between Gerler and Caleres,  
4 Caleres has waived any remaining claims against the Receivership Estate.<sup>3</sup>  
5

6 21. After application of the January 18, 2018, interim distribution to Gerler, the  
7 unpaid balance of Gerler's secured claim is the principal amount of \$1,547,124.93, plus  
8 interest accruing thereafter at the rate of 5.50% per annum (\$233.13 per diem), until paid (the  
9 "Gerler Secured Claim"). The Gerler Secured Claim will also include attorneys' fees and  
10 costs to the extent, if any, that such fees and costs are allowed by court order entered in the  
11 Receivership Case. (Exhibit 2, at ¶ 3).  
12

13 22. On July 8, 2014, OLS executed a Security Agreement, pursuant to which it  
14 granted a security interest to Gerler in substantially all of OLS's assets, including but not  
15 limited to its inventory, accounts receivable, general intangibles, and proceeds therefrom (the  
16 "OLS Collateral").  
17

18 23. On July 8, 2014, Gerler perfected his security interest in the OLS Collateral  
19 by filing a Financing Statement with the Washington Department of Licensing, at document  
20 number 2014-189-7473-4.  
21

22 24. As a result of the Sale of substantially all of the Debtor's assets, and the  
23 Receiver's prior, Court-approved payments to Wells Fargo, GEODIS Logistics, Caleres, and  
24 Gerler, the Receivership Estate currently holds the following assets: (a) approximately  
25 \$270,000 in cash, comprised of proceeds from the Sale, and collection of accounts  
26

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<sup>3</sup> In addition to those four creditors, pursuant to the Motion the Receiver seeks disallowance of or, alternatively, subordination of certain allegedly secured claims.

1 receivable, (b) certain accounts receivable and payment intangibles (together, the “Accounts  
2 Receivable”), and (c) documents, books, records and other data of the Debtors, which are  
3 stored electronically (the “Records”). A schedule of Debtors’ Accounts Receivable is  
4 attached as Exhibit 3.

5  
6 25. Three creditors, J/Slides, Portland Product Werks, LLC, and City Saver  
7 Guide, Inc. (together, the “Alleged Secured Claimants”), submitted claims on an allegedly  
8 secured basis. However, the Proofs of Claim that they submitted to the Receiver do not  
9 identify either (a) any agreement, statute, or other law that would grant them a lien or  
10 security interest to secure their claims, or (b) any specific assets of the Debtors that would be  
11 collateral for their alleged security interests or other liens (together, the “Alleged Secured  
12 Claims”). True copies of the Alleged Secured Claims are attached as Exhibits 4 - 6.

13  
14 26. Outlet Mall Properties, L.C. (“Outlet Mall”), OLS’s former commercial  
15 landlord for a retail store in Virginia Beach, Virginia (the “Premises”), submitted two  
16 allegedly secured Proofs of Claim. Outlet Mall’s Proof of Claim dated March 6, 2017, is for  
17 \$4,036.90 in rent that accrued prior to the February 2, 2017 Appointment Date (including  
18 \$1,000 of attorneys’ fees), which it claims is secured by a landlord’s lien under Virginia law  
19 (“Outlet’s First Claim”). A true copy of Outlet’s First Claim, with exhibits omitted, is  
20 attached as Exhibit 7. OLS’s books and records, however, show that OLS was current on its  
21 lease obligations to Outlet Mall as of January 31, 2017, and that Outlet Mall held a security  
22 deposit of \$2,100. Accordingly, there were no amounts due to Outlet Mall, net of the  
23 security deposit, as of the Appointment Date.

24  
25 27. Outlet Mall timely submitted a lease rejection claim (“Outlet’s Second  
26



1 Claim”) which asserts, among other things, a secured claim for both (a) rent accrued from the  
2 Appointment Date through May 15, 2017 (\$7,777), and (b) additional secured amounts  
3 arising from rejection of the lease (\$6,157.65). A true copy of Outlet’s Second Claim, with  
4 exhibits omitted, is attached as Exhibit 8. No particular collateral, value of any collateral, or  
5 priority of the alleged lien is identified in Outlet’s Second Claim. Outlet Mall’s secured  
6 claims are based solely on Virginia’s landlord’s lien statute. (Exhibit 7, at p. 3; Exhibit 8, at  
7 p. 3).

9 28. To the best of the Receiver’s knowledge, substantially all of the inventory and  
10 other OLS Collateral located at the Premises were brought to the Premises after July 8, 2014,  
11 the date on which Gerler was granted, and perfected, his security interests in the OLS  
12 Collateral.

13  
14 29. As of the Appointment Date, the Accounts Receivable on the Debtors’ books  
15 and records totaled \$1,633,569. The Receiver has sought to reconcile the accounts based on  
16 returns and chargebacks which occurred after the shutdown of the Debtors’ operations on  
17 January 27, 2017, and collect on the net balances of the fully reconciled Accounts  
18 Receivable, all of which are subject to the first priority security interest held by Gerler.

19 30. As of the time of filing the Motion, the Receiver had collected \$329,769, and  
20 determined that not less than \$841,337 of the balance was likely uncollectible owing to setoff  
21 and/or other defenses to collection, as reflected in the monthly operating reports filed by the  
22 Receiver. The obligors on the Accounts Receivable are parties that either served as conduits  
23 for orders from OLS’s consumers or provided payment processing services. To the extent  
24 that they have responded to the Receiver’s claims, the major obligors on Accounts  
25  
26

DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 9

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1 Receivable have asserted offset defenses which exceed their individual Accounts Receivable  
2 balances, and are based, in large part, on consumers' returns of shoes, for which they have  
3 not been reimbursed by Debtors.

4  
5 31. The Receiver has determined that expending additional time and Receivership  
6 Estate resources to try to collect the Accounts Receivable is not likely to provide a cost  
7 effective means of generating a significant net return to the Receivership Estate and, in any  
8 event, will not generate sufficient funds to pay any dividend to unsecured creditors.

9  
10 32. As reflected in the Final Report and further detailed below, the remaining  
11 proceeds of the asset Sale, plus collections on the Accounts Receivable and Litigation Claim  
12 (if any), are unlikely to exceed the unpaid balance of the Gerler Secured Claim and the  
13 administrative expenses to wind-up this receivership case.

14  
15 33. On January 18, 2018, pursuant to the January Distribution Order, the Receiver  
16 distributed \$1.6 million and the Litigation Claim to Gerler, leaving a balance owing on the  
17 Gerler Secured Claim of approximately \$1,550,000. The Receiver anticipates that Gerler  
18 will receive approximately \$185,000 as a final cash distribution from the Receivership  
19 Estate, in addition to the Accounts Receivable and Litigation Claim. In the Receiver's  
20 opinion, the Accounts Receivable and Litigation Claim are very unlikely to result in full  
21 satisfaction of the Gerler Secured Claim. If, however, Gerler does not foreclose on the  
22 Accounts Receivable and/or the Litigation Claim, or take those assets in partial satisfaction  
23 of his claim, then he is responsible to account to the Receiver, for the benefit of the  
24 Receivership Estate and its creditors, for any proceeds that he recovers in excess of the  
25 Gerler Secured Claim. (Exhibit 2, at ¶ 3, and Exhibit 9, at ¶ 3).

26  
DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 10

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1           34.     The remaining assets in the estate are (a) approximately \$270,000 in cash,  
2 consisting of proceeds from the Sale, and collection of Accounts Receivable, (b) the  
3 Accounts Receivable, and (c) the Records.

4           35.     As reflected in the Final Report and OLS's records, the Accounts Receivable  
5 balances owing to OLS total \$579,607. Based on the Receiver's review of the Accounts  
6 Receivable and prior collection efforts, in the Receiver's opinion the net realizable value of  
7 the Accounts Receivable, excluding the Amazon account receivable, is \$0.

8           36.     The Receiver has received, but not yet analyzed, extensive data from Amazon  
9 (the "Amazon Data") with respect to the balance owing from Amazon, if any, to OLS. As  
10 reflected in the Final Report, the maximum recovery on the Amazon account, before  
11 reduction for setoffs or other defenses, is \$536,469. In light of the approximately  
12 \$1,550,000 balance owing on the Gerler Secured Claim and the estimated final cash  
13 distribution of \$185,000 against that claim, the Receiver has determined, in the exercise of  
14 my reasonable business judgment, that a comprehensive analysis of the Amazon Data is  
15 unlikely to result in any recovery for the Receivership Estate in excess of the Gerler Secured  
16 Claim. In short, even if there is some value to the Amazon account, that value will accrue to  
17 the benefit of Gerler, and it is not in the best interests of the Receivership Estate or its  
18 creditors for the Receiver to expend further resources analyzing the Amazon data.  
19  
20  
21

22           37.     In addition, in the Receiver's opinion, the Records are of inconsequential  
23 value or benefit to the Receivership Estate and its creditors.

24           38.     Expenses of the receivership estate have been accruing since the Appointment  
25 Date. The Final Report itemizes the receipts and disbursements associated with liquidating  
26

DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 11

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1 and managing the estate property. The Receiver and the Receiver’s counsel will continue  
2 accruing fees and costs until this receivership is terminated by the Court and its affairs are  
3 wound-up. Unpaid fees and costs incurred by the receivership estate through the closing of  
4 this matter total an estimated \$85,000, including but not limited to an estimated \$32,500 for  
5 the Receiver’s fees and costs from January 1, 2018, an estimated \$50,000 in fees and costs  
6 for Receiver’s counsel from January 13, 2018, and an estimated \$2,500 for third party  
7 certified destruction of personal information stored on equipment abandoned by the Asset  
8 buyers, and other final costs to close the receivership estate (together, the “Administrative  
9 Expenses”).

11 39. All unpaid fees, costs and expenses to date, plus estimated additional fees,  
12 costs and expenses will be paid from funds held by the Receiver. Pursuant to the  
13 Receivership Order, the Receiver and its counsel have a first position surcharging lien on  
14 assets of the estate for the administrative expenses of the Receivership Estate, including the  
15 estimated Administrative Expenses described above.

17 40. The Receiver requests authorization to (a) distribute any available funds, after  
18 payment in full of the Administrative Expenses, and (b) distribute and assign the Accounts  
19 Receivable, to Gerler in partial satisfaction of the Gerler Secured Claim. Transfer of the  
20 Accounts Receivable will be made pursuant to an assignment instrument in substantially the  
21 form attached as Exhibit 9.

23 ///

24 ///

25 ///

26  
DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 12

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1           41.     Because the remaining assets in the Receivership Estate will not generate  
2 sufficient proceeds to pay the Gerler Secured Claim in full, there will be no distribution to  
3 any other creditors of the Receivership Estate.

4           42.     Pursuant to RCW 7.60.150, the Receiver requests authorization to abandon  
5 the Records in place.

6           43.     The Receiver has carried out its duties with due care and in substantial  
7 compliance with the Receivership Order and RCW 7.60 *et seq.*

8           44.     To the extent that any excess funds remain after paying the Administrative  
9 Expenses if full, such funds shall be remitted by the Receiver to Gerler.

10           45.     The Receiver estimates additional fees, costs and expenses of \$85,000 to  
11 complete the closing of the receivership case and post-receivership fees, costs and expenses.  
12 These amounts are based on the anticipated receivership expenses, including expenses for the  
13 Receiver and its counsel to wind-up the estate, and costs to destroy personal and confidential  
14 information from abandoned equipment housing this data. All unpaid administrative fees,  
15 costs and expenses to date, plus estimated additional fees, costs and expenses will be paid  
16 from funds held by the Receiver.

17  
18 Executed at Lake Oswego, Oregon, this 5th day of March, 2018, by John L.  
19 Davidson.

20  
21  
22 

23  
24 John L. Davidson

25  
26  
DECLARATION OF JOHN L. DAVIDSON  
NO. 17-2-02462-7 SEA - 13

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**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 5<sup>th</sup> day of March, 2018, I arranged for service of the foregoing *DECLARATION OF JOHN L. DAVIDSON* to the parties to this action as follows:

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CERTIFICATE OF SERVICE - 2

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<p>12 Karen Ruby  13 karen.ruby@nordstrom.com  14 <i>Via email only</i></p>	<p>Michael M. Eiedelman  Vedder Price P.C.  222 N. LaSalle Street  Chicago, IL 60601  Email: meidelman@vedderprice.com  <i>Counsel for Shoes Joint Venture LLC</i>  <i>Via email and U.S. Mail</i></p>
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City Saver Guide, Inc. 104 S. First Colonial Rd., #115 Virginia Beach, VA 23454 Attention: Ron Brooks, President Email: ron@citysaverguide.com Tel.: 757.454.2400 <i>Via email and U.S. Mail</i>	Portland Product Werks, LLC 1200 NW Naito Parkway, #490 Portland, OR 97209 Attention: Wendy Spence Email: sean@portlandproductwerks.com Tel: 503.481.2280 <i>Via email and U.S. Mail</i>
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/s/ Farron Curry  
Farron Curry, WSBA #40559

# EXHIBIT 1

 ONLINESHOES  
EST. 1996

 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 Final Report  
Order Date February 2, 2017  
Through February 28, 2018 Final

February 28, 2018

# Contents / Significant Events Recap

## A. Overview

## B. Significant Events during the Receivership

Oswego Group LLC, d/b/a Inverness Group, was appointed by the Court per the Stipulated Order Appointing General Receiver - Order entered 2/2/17 (the "Order"), following the shutdown of Onlineshoes.com Inc. and Shoes.com, Inc. (together, "Debtors") by ownership and management on 1/27/17. During the course of the receivership, the Receiver:

1. Took possession of all assets of the estate, and established sale procedures approved by the Court covering the orderly disposition of the assets
2. Provided notice of the receivership to all creditors of record, filed timely schedules, and established a web page (<http://inverness.us/receivership-shoes-com-onlineshoes-com>) to provide access to relevant filings, updates, and notices in the case to creditors
3. Established a claims procedure in the case per orders, and reviewed/reconciled claims filed
4. Filed timely monthly reports per RCW 7.60.100
5. Scheduled and negotiated exits from leased facilities, allowing for orderly disposition of inventories and other assets
6. Reviewed asset disposition alternatives, established bid and auction procedures approved by the Court, and conducted the orderly sale of assets pursuant to the Court's orders.
7. Completed the sales within the cost budget established in the case, and exceeded budgeted gross cash proceeds by \$2.4mm or 54%
8. Maintained receivership accounting, bank accounts, and managed receivership receipts and disbursements
9. Completed interim distributions to secured creditors per the Courts orders
10. Completed all required duties in the receivership case, and filed the Receiver's Omnibus Motion to Approve the Final Report, Authorize Distribution of Remaining Estate Property, and Terminate the Receivership

## C. Receiver's Final Report schedules and exhibits per RCW 7.60.290 (summaries on pages 6-11)

# Overview

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1. 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.
2. 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 Debtors 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. Following the Final Inventory Count, the potential adjustment was modified, resulting in an additional cash recovery of \$154,633, or 2.2% to the estate.
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 the course of the budget, net (pre-add'l value of the inventory adjustment) sale proceeds and favorable cost variance in the case exceeded the net cash recovery estimate per the budget by approximately \$2.4mm, after adjustment to 7/31/17, and before recovery of merchant services CC A/R, as adjusted for refunds and returns against vendor reserves.
4. A claims procedure was established in the case, and the Orders, Proof of Claim instructions, and other information materials were posted to the Receiver's Creditor Information Page (<http://inverness.us/receivership-shoes-com-onlineshoes-com>) for access by creditors and other parties. The claims bar deadline for state agencies was 8/25/17 and for all other creditors, it was 3/28/17.

# Overview

5. Per the Court's 6/12/17 Order, the Receiver made a distribution against the Wells Fargo first priority secured claim in the amount of \$4,222,092.09, subject to adjustment and recovery of unfunded standby L/C obligation. The Receiver collected \$249,237.65 from Wells Fargo in July, following the final reconciliation of standby L/C liability and legal fees. As a result of the net distribution, the Wells Fargo secured claim was fully satisfied.
6. On 9/29/17, the Court ordered payment in the amount of \$237,500 in full satisfaction of the secured claim by GEODIS Logistics, LLC, disallowing the remaining claim balance of \$590,037. The approved claim was paid and fully satisfied on October 2, 2017.
7. On 1/16/18, the Order Authorizing the Daniel Gerler and Caleres Investment Company secured claims and the Distribution against those claims was entered. Per the 1/16/18 Order, the Receiver funded distributions against the secured claims of \$1,600,000 (partial satisfaction) to Daniel Gerler, and \$235,000 (full satisfaction of settlement) to Caleres on 1/18/18.
8. The Receiver has completed the reconciliation of Accounts Receivable and the collection of balances due from account debtors with the exception of an open Amazon A/R balance of \$536,469 (subject to reconciliation and review of documentation provided by Amazon in February, 2018). The Receiver acknowledges that there may be significant offsets (up to 100%) to the open A/R balance of record (per the Companies' books), and has included the remaining Accounts Receivable in the proposed final distribution to the remaining secured creditor, Daniel Gerler, to avoid unnecessary or duplicative costs in the final reconciliation of the accounts.
9. In late February, the Receiver was notified by ADP, the Companies' payroll service provider, that it was holding \$4,296.40 in funds claimed by a former employee who has submitted what ADP has deemed to be a fraudulent claim for the funds. The funds are enroute to the Receiver, who will make a final determination of the claim's validity and distribute the funds either to the claimant, or Daniel Gerler per the proposed order to close this case.
10. The Receiver has completed all required duties in the receivership case, and filed the Receiver's Omnibus Motion to Approve the Final Report, Authorize Distribution of Remaining Estate Property, and Terminate the Receivership

# RCW 7.60.290 Receiver's Final Report

With regard to the Receiver's Final Report, RCW 7.60.290 provides the following in support of the termination of receivership:

*(2) The receiver's final report and accounting setting forth all receipts and disbursements of the estate shall be annexed to the petition for discharge and filed with the court.*

Accordingly, this report references information provided in each of the preceding Receiver's Monthly Reports, and updates the reporting through February 27, 2018.

In addition, the following pages provide:

1. Summary of all receipts and disbursements during the case *(Fig 1)*
2. Breakdown of disbursements by category *(Fig 2)*
3. Recap / Actuals to Budget through 5/5/17 and Final *(Fig 3a and 3b)*
4. Asset Sale Summary *(Fig 4)*
5. Distributions to creditors per the Court's orders in the case *(Fig 5)*

# Summary – Receipts / Disbursements

*Figure 1  
Summary of Cash Receipts  
and Disbursements  
2/2/17 through 2/27/18 Final  
(See Exhibit 1 – Detail by  
Quarter)*

	Total - 2/2/17 through Final
<b>Cash Receipts</b>	
Refunds	34,308
A/R Collections	334,725
Asset Sale Proceeds per Order	
Inventories / Equipment	5,195,000
Less Inventory Reserve and Closing Adj at 4/21/17	(459,280)
Add: Final Inventory Adjustment Feb 2018	154,633
Intellectual Property	1,855,000
Total Sale Proceeds	6,745,353
Other Cash Receipts	1,185
<b>Total Cash Receipts</b>	<b>7,115,571</b>
<b>Cash Disbursements</b>	
Operations	159,333
Admin	694,958
Reimburse Former Employee P/R Withholds Not Funded to Benefits Programs	21,770
Interim Distributions against Secured Claims per Orders	6,054,869
<b>Total Cash Disbursements to 2/27/18</b>	<b>6,930,930</b>
<b>Net Cash Balance at 2/27/18</b>	<b>184,641</b>
Proposed Final Distribution to D Gerler, Secured Creditor per Proposed Motion	184,641

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# Disbursements by Category

Figure 2  
Cash Disbursements by Category  
(Excludes Interim Distributions  
against Secured Claims per  
Orders – See Figure 5)

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	Q1 2017 (Feb 2 - Mar 31)	Q2 2017	Q3 2017	Q4 2017	Q1 2018 (to Final Feb 27)	Total
<b>Operations</b>						
Contractor Services (Canadian Receiver / Shared - US Rec Portion (est - subject to Invoice)	-	41,927	-	-	-	41,927
Computer Services - Digital Fortress Co-Lo / Shared / Storage - US Rec Portion	-	11,290	-	-	-	11,290
Bank Service Charges	4,177	2,339	637	-	70	7,223
Facilities Leases	-	72,062	-	-	-	72,062
Utilities / Records Storage (Final - estimated Abandonment)	-	14,617	733	970	2,500	18,819
Other - GEODIS Sale / Inventory Related Exp	2,400	5,441	-	171	-	8,012
<b>SubTotal - Operations</b>	<b>6,577</b>	<b>147,676</b>	<b>1,369</b>	<b>1,141</b>	<b>2,570</b>	<b>159,333</b>
<b>Return Employee Unfunded 401k and Other Withholds</b>	-	-	1,491	20,280	-	21,770
<b>Receivership Admin Exp</b>						
51100 · Rec - Fees per Fee Notice	25,000	177,350	60,113	40,088	26,775	329,325
51200 · Rec - Expenses per Fee Notice	-	8,310	-	1,358	18	9,686
51100 · Rec - Fees / Est. Final per Motion	-	-	-	-	19,356	19,356
51300 · Receivers Bond	100	-	-	-	100	200
51400 · Rec - Legal Fees/Exp per Fee Notice	20,818	170,354	31,957	36,527	33,151	292,806
51400 · Rec - Legal Fees/Exp Est Final per Motion	-	-	-	-	32,471	32,471
51600 · Rec - Litigation Counsel - NY Litigation Fees/Exp	-	5,000	6,113	-	-	11,113
<b>Total Receivership Admin Expense</b>	<b>45,918</b>	<b>361,013</b>	<b>98,182</b>	<b>77,973</b>	<b>111,872</b>	<b>694,958</b>

# Recap / Actuals to Budget (1)

Figure 3(a)  
Variance to Budget (through  
5/5/17)  
Asset Sales per Orders and Other  
Dispositions

	Cash Recovery per Budget	Actual Cash Recovery	Variance + (-)
<b>Inventories and Equipment</b>	4,526,604	5,010,223	
Inventory Adjustment Reserve		(419,503)	
Recovery at Final Inventory Adjustment Feb 2018		154,633	
<b>Total Inventory &amp; Equipment (subj to Adj)</b>	<b>4,526,604</b>	<b>4,745,353</b>	<b>218,749</b>
Accounts Receivable (Incl ASE / Amazon Inv Sales A/R)	-	334,725	
<b>Total Inventory and A/R Proceeds</b>	<b>4,526,604</b>	<b>5,080,079</b>	<b>553,475</b>
<b>Intellectual Property Assets</b>	-	<b>1,855,000</b>	<b>1,855,000</b>
Other Cash Receipts	-	35,492	35,492
<b>Total Cash Recoveries</b>	<b>4,526,604</b>	<b>6,970,571</b>	<b>2,443,967</b>
		154.0%	54.0%

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# Recap / Actuals to Budget (2)

Figure 3(b)  
Variance to Budget (through 5/5/17)  
Liquidation Costs and Net Recovery

Liquidation Costs:	Per Budget to 5/5/17	Actual to 5/5/17	Variance + (-)
<b>Operations</b>			
per Budget to 5/5/17	353,524	154,231	(199,292)
Actual 5/5/18 to 2/22/18 (Final)		5,102	
SubTotal Operating Disbursements	353,524	159,333	
<b>Administrative</b>			
per Budget to 5/5/17	305,775	301,611	(4,164)
Actual 5/5/18 to 2/22/18 (Final)		393,346	
SubTotal - Administrative Disbursements	305,775	694,958	
Return Employee Unfunded 401k and Other Withholds	-	21,770	
<b>Total Disb to 5/5/17 (Budget)</b>	<b>659,299</b>	<b>455,843</b>	<b>(203,456)</b>
% of Asset Recoveries	15%	7%	
<b>Net Cash Recovery per Budget to 5/5/17)</b>	<b>3,867,305</b>	<b>6,514,728</b>	<b>2,647,423</b>
Net Recovery Compared to Budget (5/5/17)		168.5%	68.5%

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# Asset Sale Summary

Figure 4  
Asset Sale Summary per Orders and Sale  
Closing Documentation

	Mar-17	Apr-17	Feb-18	Total
<b>Bids per 3/8/17 Order Approving Bid and Auction Procedures</b>				
Bids Received	3,439,773			
Bids Returned	(1,877,773)	(857,000)		
Bids Applied		(705,000)		
<b>Net Bids</b>	<b>1,562,000</b>	<b>(1,562,000)</b>		-
<b>Sale Approval per 4/3/17 Order</b>				
Sale Price				
Inventories and Equipment		5,165,000		
Intellectual Property		1,885,000		
<b>Gross Sale Price</b>		<b>7,050,000</b>		
Less: Closing Adj per Statement		(39,777)		
Less: Inventory Adjustment Reserve		(419,503)		
Add: Recovery of Reserve following Final Inventory Count per Agreement			154,633	
<b>Net Sale Proceeds Received</b>				<b>6,745,353</b>

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

# Distributions to Secured Creditors

Figure 5  
Interim Distributions by Secured Creditor  
and Order Date

	Q1 2017 (Feb 2 - Mar 31)	Q2 2017	Q3 2017	Q4 2017	Q1 2018 (to Final Feb 27)	Total
<b>Distributions to Secured Creditors</b>						
Wells Fargo - Sweeps / Applied to Secured Debt	9,514	-	-	-	-	9,514
Wells Fargo - Per 6/12/17 Order	-	4,222,092	(249,238)	-	-	3,972,854
GEODIS Secured - Per 9/29/17 Order	-	-	-	237,500	-	237,500
Caleres Secured - Per 1/16/18 Order	-	-	-	-	235,000	235,000
D Gerler Secured - Per 1/16/18 Order	-	-	-	-	1,600,000	1,600,000
<b>Total - Distributions to Secured Creditors</b>	<b>9,514</b>	<b>4,222,092</b>	<b>(249,238)</b>	<b>237,500</b>	<b>1,835,000</b>	<b>6,054,869</b>
D Gerler Secured - Final (Est. - Proposed)					184,641	6,239,510

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# 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; Estimated Recovery Variance Recap – Actuals to Budget
Sch B(c)	-	Statement of cash receipts and disbursements
Sch B(d-1)	-	Supplemental Schedule – Pre-Receivership A/R
Sch B(d)	-	Statement of Accrued Accounts Receivable of the Receiver (2/2/17 Forward)
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

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# Exhibit 1

## Cash Receipts / Disbursements

by Quarter (2/2/17 - 2/28/18)

Final

	Q1 2017 (Feb 2 - Mar 31)	Q2 2017	Q3 2017	Q4 2017	Q1 2018 (to Final Feb 28)	Total
Opening Cash Balances - All Accounts (Wells)	-					-
<b>Receipts</b>						
Refunds	5,000	-	19,071	10,218	19	34,308
A/R Collections						
From ASE Inventory (Amazon)	116,000	36,000	55,659	-	-	207,659
Less: Post-Sale Payments to Buyers	-	-	(47,817)	-	-	(47,817)
Other A/R Collections	78,113	1,771	95,000	-	-	174,884
<b>SubTotal - A/R Collections (Net)</b>	<b>194,113</b>	<b>37,771</b>	<b>102,841</b>	<b>-</b>	<b>-</b>	<b>334,725</b>
<b>4/20/17 Asset Sales per Order</b>						
Inventories and Equipment	-	5,195,000	-	-	-	5,195,000
Less: Inventory Adjustment Reserve	-	(419,503)	-	-	-	(419,503)
Less: Closing Adj - Amazon Inv	-	(39,777)	-	-	-	(39,777)
<b>Net Inventories and Equipment</b>	<b>-</b>	<b>4,735,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,735,720</b>
IP Sale	-	1,855,000	-	-	-	1,855,000
Final Inventory Adjustment Proceeds (Feb 2018)	-	-	-	-	154,633	154,633
<b>SubTotal - Sale Proceeds per PSA / Order</b>	<b>-</b>	<b>6,590,720</b>	<b>-</b>	<b>-</b>	<b>154,633</b>	<b>6,745,353</b>
Interest and Other	79	539	363	165	39	1,185
<b>Total Receipts</b>	<b>199,191</b>	<b>6,629,030</b>	<b>122,276</b>	<b>10,382</b>	<b>154,691</b>	<b>7,115,571</b>
<i>Cumulative Cash Receipts</i>	<i>199,191</i>	<i>6,828,222</i>	<i>6,950,497</i>	<i>6,960,880</i>	<i>7,115,571</i>	
<b>Disbursements (See Exhibit 2 Detail by Category)</b>						
Operations	6,577	147,676	1,369	1,141	2,570	159,333
Return Employee Unfunded 401k and Other Withhc	-	-	1,491	20,280	-	21,770
Receivership Admin	45,918	361,013	98,182	77,973	111,872	694,958
<b>SubTotal</b>	<b>52,496</b>	<b>508,690</b>	<b>101,041</b>	<b>99,393</b>	<b>114,442</b>	<b>876,061</b>
<b>Distributions to Secured Creditors per Orders (Ex</b>	<b>9,514</b>	<b>4,222,092</b>	<b>(249,238)</b>	<b>237,500</b>	<b>1,835,000</b>	<b>6,054,869</b>
<b>Total Disbursements</b>	<b>62,010</b>	<b>4,730,782</b>	<b>(148,196)</b>	<b>336,893</b>	<b>1,949,442</b>	<b>6,930,930</b>
<b>Net Cash (Excl Bid Deposits)</b>	<b>137,181</b>	<b>2,035,430</b>	<b>2,305,902</b>	<b>1,979,392</b>	<b>184,641</b>	<b>184,641</b>
<i>Sale Bid Recap - Mar / April 2017</i>						
<b>Sale Bid Deposits per Order</b>						
Sale Bid Deposits Received	3,439,773	-	-	-	-	3,439,773
Return of Sale Bid Deposits	(1,877,773)	(857,000)	-	-	-	(2,734,773)
Application of Buyers' Bid Deposits - Sale	-	(705,000)	-	-	-	(705,000)
<b>Net Bid Deposits</b>	<b>1,562,000</b>	<b>(1,562,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Exhibit 1

Per Companies' Records  
Not Adjusted to Estimated Value

### Balance Sheet at February 28, 2018 (Final)

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

Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 - Final

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Book Value at 3/31/17/17	Book Value at 4/30/17	Book Value at 5/31/17	Book Value at 6/30/17	Book Value at 7/31/17	Book Value at 8/31/17	Book Value at 9/30/17	Book Value at 10/31/17	Book Value at 11/30/17	Book Value at 12/31/17	Adjustments - 1/1/18 to 2/28/18	Book Value at 2/28/18	Estimated Value at 2/28/18
<b>Assets</b>															
<b>Cash and Bank accounts:</b>															
Receiver Disb Acct USB 7050	-	10	218,692	(4,849)	39,340	44,121	103,005	86,155	67,519	24,089	53,736	27,925	90,271	118,195	118,196
Receiver MMA Sale Acct USB 8987	-	-	1,357,069	6,590,903	6,341,175	1,989,201	2,238,529	2,238,624	2,238,716	2,001,301	1,951,384	1,951,466	(1,885,021)	55,445	65,445
OLS Master Dep Acct - Wells 5578 (In Transit to USB 7050 at 10/31/17)	-	62,873	870	870	1,596	1,584	1,584	1,398	1,252	1,252	0	0	-	0	0
OLS Master Oper Acct - Wells 5585	-	6,456	122,552	36,000	-	305	55,659	-	-	-	-	-	-	-	-
OLS Manual P/R - Wells 5597	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shoes.com, Inc. Oper Acct - Wells 5592	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash / Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Balance</b>		<b>69,339</b>	<b>1,699,181</b>	<b>6,622,923</b>	<b>6,382,101</b>	<b>2,035,210</b>	<b>2,398,777</b>	<b>2,326,177</b>	<b>2,307,487</b>	<b>2,026,642</b>	<b>2,005,120</b>	<b>1,979,392</b>	<b>(1,794,750)</b>	<b>184,641</b>	<b>184,641</b>
Inventory: Note 1	Groveport, OH Warehouse	11,062,346	11,062,346	-	-	-	-	-	-	-	-	-	-	-	-
Inventory: Note 1	Amazon Locations (Multiple)	417,150	347,806	-	-	-	-	-	-	-	-	-	-	-	-
Inventory: Note 1	Red Wing Stores - 2 (Virginia)	595,929	595,929	-	-	-	-	-	-	-	-	-	-	-	-
Amazon / ASE Account Balance - Rec Interest (net of Est Fees) Note 2	Note 2	-	-	28,662	28,662	54,719	-	-	-	-	-	-	-	-	-
Amazon Post 3/28 Rec Adj per Sale Closing		-	-	(34,219)	(34,219)	(44,961)	(47,817)	-	-	-	-	-	-	-	-
Accounts Receivable Notes 3 & 4		1,426,255	1,309,081	1,308,499	1,468,439	1,497,360	1,402,360	1,402,360	1,402,360	1,402,360	702,437	702,437	(141,413)	561,023	-
Sale - Closing Reserve (subject to Inventory Adjustment) Note 1	Note 1	-	-	419,503	419,503	419,503	419,503	419,503	419,503	419,503	419,503	419,503	(419,503)	-	\$154,633 Rec'd 2/22/18
Equipment: (Net of Accumulated Depreciation)		1,202,782	1,202,782	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill / Other Intangibles IP		200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Insurance and Other Expenses - Note 5	Insurance / Other Prepays	83,000	76,083	-	-	-	-	-	-	-	-	-	4,296	4,296	4,296
Deposits		51,596	48,171	48,171	53,171	53,171	45,835	45,835	45,835	45,835	45,835	45,835	(45,835)	-	-
<b>Total Assets</b>		<b>15,108,397</b>	<b>16,541,379</b>	<b>8,393,539</b>	<b>8,317,657</b>	<b>4,015,002</b>	<b>4,218,657</b>	<b>4,193,875</b>	<b>4,175,185</b>	<b>3,894,340</b>	<b>3,172,894</b>	<b>3,147,166</b>	<b>(2,397,205)</b>	<b>749,961</b>	<b>188,938</b>



Per Companies' Records  
Not Adjusted to Estimated Value

**Balance Sheet**  
**at February 28, 2018 (Final)**

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

Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 - Final

Category (Book Value Used where noted by *)	Description / Location	Book Value at 2/28/17	Book Value at 3/31/17/17	Book Value at 4/30/17	Book Value at 5/31/17	Book Value at 6/30/17	Book Value at 7/31/17	Book Value at 8/31/17	Book Value at 9/30/17	Book Value at 10/31/17	Book Value at 11/30/17	Book Value at 12/31/17	Adjustments - 1/1/18 to 2/28/18	Book Value at 2/28/18	Estimated Value at 2/28/18
<b>Liabilities</b>															
<b>Accounts Payable</b>															
	A/P - Pre-ReceiverShip (Unsecured)	16,198,921	16,198,921	16,198,921	16,198,921	16,198,921	16,198,921	16,198,921	16,198,921	16,198,921	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 and Other Withholds (Paid 10/23/17)	19,360	19,360	19,360	19,360	19,360	19,360	19,360	20,280	-	-	-		-	-
	Pre-ReceiverShip Wages and Employee-Related Payables	172,698	172,698	172,698	172,698	172,698	172,698	172,698	172,698	172,698	172,698	172,698	4,296	176,995	4,296
	Pre-ReceiverShip Taxes Payable	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701	2,289,701		2,289,701	Subject to Claims Reconciliation
<b>Accrued Receiver Admin Expense + Deposits</b>															
	Accrued Receiver Fees / Expense to 1/27/18 per Notice	47,749	55,851	70,834	58,954	28,913	21,553	-	-	-	-	-		-	-
	Accrued Receiver Fees / Expense - Estimated to Final	-	-	-	-	-	-	-	-	-	-	-		-	-
	Accrued Receiver Counsel Fees / Expense to 2/9/18 Per Notice	20,818	51,904	77,094	41,356	15,521	7,437	-	-	-	-	-		-	-
	Accrued Receiver Counsel Fees / Expense - Per Notice	-	-	-	-	-	-	-	-	-	-	-		-	-
	Advance - Opening Deposit USB 7050 (Rec Disb Acct)	-	10	10	10	10	10	10	10	10	10	10	(10)	-	-
	Accrued Rec Litigation Counsel - NY Litigation	-	-	-	-	6,113	-	-	-	-	-	-		-	-
	Accrued IT / Storage - Server Access (Digital Fortress) / Records Disposition	5,676	9,176	849	-	-	-	-	-	-	-	-		-	-
	Accrued Contractor Fees / Expense - Per Canada Rec	11,474	19,474	24,050	24,899	-	-	-	-	-	-	-		-	-
	Accrued Admin Exp - Facilities	-	93,000	112,897	40,835	40,835	40,835	40,835	40,835	40,835	40,835	40,835	(40,835)	-	-
	Accrued Admin Exp - Utilities / Other	-	8,000	13,118	4	4	4	4	4	4	4	4	(4)	-	-
	Sale: Bid Deposits Payable	-	1,512,000	-	-	-	-	-	-	-	-	-		-	-
	<b>SubTotal - Accrued ReceiverShip Admin</b>	<b>85,717</b>	<b>1,749,425</b>	<b>298,852</b>	<b>166,069</b>	<b>91,395</b>	<b>69,849</b>	<b>40,849</b>	<b>40,849</b>	<b>40,849</b>	<b>40,849</b>	<b>40,849</b>	<b>(40,849)</b>	<b>-</b>	<b>4,296</b>
	Other Unsecured Claims per Schedules	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844	52,762,844		52,762,844	Subject to Claims Reconciliation

Per Companies' Records  
Not Adjusted to Estimated Value

## Balance Sheet at February 28, 2018 (Final)

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

Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 - Final

Category (Book Value Used where noted by *)	Description / Location	Book Values at 2/28/17	Book Value at 3/31/17/17	Book Value at 4/30/17	Book Value at 5/31/17	Book Value at 6/30/17	Book Value at 7/31/17	Book Value at 8/31/17	Book Value at 9/30/17	Book Value at 10/31/17	Book Value at 11/30/17	Book Value at 12/31/17	Adjustments - 1/1/18 to 2/28/18	Book Value at 2/28/18	Estimated Value at 2/28/18
<b>Secured Liabilities</b>															
Wells Fargo Bank		4,150,000	4,157,118	4,195,771	4,222,092	-	-	-	-	-	-	-	-	-	-
Wells Fargo Bank (Adjustment of standby liability and legal fees - received in July)					-	(249,328)	0	0	0	0	0	0	0	0	0
Dan Gerler, an Individual (Note 6)		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	(1,600,000)	1,400,000	Subject to Claims Reconciliation
Deans Knight Capital Management Ltd.		7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	-						Paid from Shoes.com Tech (Canadian Receivership) Estate
Caleres Investment Company, Inc. (Note 6)		7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	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	827,537	827,537	827,537	827,537	237,500	-					Book Bal Paid 10/2/17 per 9/28/17 Order
Other															
<b>SubTotal - Secured Liabilities</b>		<b>22,850,000</b>	<b>22,857,118</b>	<b>22,895,771</b>	<b>23,049,629</b>	<b>18,578,209</b>	<b>18,827,537</b>	<b>18,827,537</b>	<b>10,737,500</b>	<b>10,500,000</b>	<b>10,500,000</b>	<b>10,500,000</b>	<b>(9,100,000)</b>	<b>1,400,000</b>	
<b>Total Liabilities</b>		<b>94,379,341</b>	<b>96,050,068</b>	<b>94,638,147</b>	<b>94,659,222</b>	<b>90,113,128</b>	<b>90,340,910</b>	<b>90,311,910</b>	<b>82,222,793</b>	<b>81,965,013</b>	<b>81,965,013</b>	<b>81,965,013</b>	<b>(9,136,553)</b>	<b>72,828,461</b>	<b>4,296</b>
Equity Note 7		(79,270,944)	(79,508,688)	(85,244,608)	(86,341,564)	(86,098,126)	(86,122,253)	(86,118,035)	(78,047,608)	(78,070,673)	(78,792,119)	(78,817,847)	6,739,347	(72,078,500)	<b>184,641</b>
<b>Total Liabilities &amp; Equity</b>		<b>15,108,397</b>	<b>16,541,379</b>	<b>8,393,539</b>	<b>8,317,657</b>	<b>4,015,002</b>	<b>4,218,657</b>	<b>4,193,875</b>	<b>4,175,185</b>	<b>3,894,340</b>	<b>3,172,894</b>	<b>3,147,166</b>	<b>(2,397,205)</b>	<b>749,961</b>	<b>188,938</b>

Note 1: Inventory Adjustment per PSA, subject to final count - Completed 2/15/18 - Final Adjustment amount \$154,633.30 in favor of receivership estate - received 2/21/18

Note 2: ASE account balance, offset by Amazon payments for post-sale inventory liquidations (post-3/28 payments due to Buyer) - Final transfer 8/3/17 - Payment of post-3/28 Amazon receipts to Buyer per Order

Note 3: Subject to final reconciliation of charges and returns, a reserve balance of \$100,000 was held by Wells Fargo Merchant Services as of 6/30/17; an Order was entered in the previous case on 6/8/17 providing for the discontinuance of the litigation without prejudice and without costs to any party. Tolling through 3/30/18 is also provided by the Order, preserving the claim, assigned to secured creditor per Order dtd 1/16/18, by allowing the holder of the Plaintiff's (Onlineshoes.com, Inc.) claims to prosecute a new action based on the original allegations. In July, the Receiver recovered \$95,000 of the reserves balance held at 6/30/17.

Note 4: Book balance of merchant services and seller reserves before adjustment for returns, etc. Subject to final reconciliation (pending re: Amazon) - estimated value - 0. In addition, \$4,296 has been held by ADP, the Companies' former payroll processor, and is enroute to the Receiver.

Note 5: In early February, 2018, ADP (Debtors' former payroll processor) has notified the Receiver that a refund of \$4,296.40 will be made to the estate by 2/28/18, the funds arise from ADP's withhold of funds from a former employee (claim from 2015), citing suspicious activity with regard to the former employee's claim against the funds. The Receiver has included refund (asset) and the former employee's claim (liability) on the balance sheet, pending a review and final determination of the disposition of the funds, either to the claimant, or as a part of the final distribution to the secured creditor.

Note 6: Order Authorizing Distribution dtd, 1/16/18 - \$1,500,000 distributed against Gerler secured claim on 1/18/18; Distribution against Caleres secured claim - \$235,000 1/18/19

Note 7: "Equity" at 2/28/18 reflects net funds held by the Receiver, to be distributed (final) to Dan Gerler (secured creditor) per the proposed Order

**Income Statement  
February 28, 2018 (Final)**

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

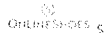
Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 - Final

Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 - Final

	February 2, 2017 (Order Date) to February 28, 2017	March 1 - 31, 2017	April 1 - 30, 2017	May 1 - 31, 2017	June 1 - 30, 2017	July 1 - 31, 2017	Aug 1 - 31, 2017	Sep 1 - 30, 2017	Oct 1 - 31, 2017	Nov 1 - 30, 2017	Dec 1 - 31, 2017	Jan 1 - Feb 28, 2018 (Final)	Total - to Feb 28, 2018 (Final)
Revenues / Invoicing (Incl. Interest Inc)	-	69	114	272	153	91	95	92	85	82	83	49	1,185
Subject to Reconciliation of Amazon Location Inv Sales													
<b>Expenses</b>													
Expense (Cash / Accrued)													
<b>50000 - Expenses</b>													
Contractor Services (Canadian Receiver / Shared - US Rec Portion (est - subject to Invoice))			17,577	24,050	-	-	-	-	-	-	-	-	41,927
Computer Services - Digital Fortress Co-Lo / Shared / Storage - US Rec Portion	5,676		4,629	985	-	-	-	-	-	-	-	-	11,290
<b>51000 - Receivership Admin Exp</b>													
51100 - Rec - Fees per Fee Notice	46,350.00	33,112.50	68,437.50	54,450.00	28,912.50	21,562.50		9,637.50	10,950.00	16,162.50	12,975.00	26,775.00	329,325.00
51200 - Rec - Expenses per Fee Notice	1,399		2,396	4,514					318	4	1,037	18	9,696.31
51100 - Rec - Fees / Est. Final per Motion												19,356	19,356
51300 - Receivers Bond	100											100	200
51400 - Rec - Legal Fees/Exp per Fee Notice	20,816	51,904	77,094	41,356	15,521	7,437		9,998	9,992	14,736	11,799	33,151	292,806
51400 - Rec - Legal Fees/Exp per Fee Notice												32,471	32,471
51600 - Rec - Litigation Counsel - NY Litigation Fees/Exp (Final, net of Retainer App)					6,113	-						5,000	11,113
<b>Total 51000 - Receivership Admin Exp</b>	<b>68,667</b>	<b>85,017</b>	<b>147,928</b>	<b>100,321</b>	<b>50,546</b>	<b>28,999</b>	<b>-</b>	<b>18,636</b>	<b>21,260</b>	<b>30,902</b>	<b>25,811</b>	<b>116,872</b>	<b>694,958</b>
Bank Service Charges	3,095	1,082	1,133	1,168	37	305	186	146				70	7,223
Facilities Leases		93,000	19,897										112,897
Utilities / Records Storage (Final - estimated Abandonment Exp)				14,617		333		400		750	220	2,500	18,819
Other - GEODIS Sale / Inventory Related Exp		2,400	5,441							171			8,012
<b>Total 50000 - Expenses</b>	<b>77,438</b>	<b>181,499</b>	<b>196,906</b>	<b>141,140</b>	<b>50,583</b>	<b>29,637</b>	<b>186</b>	<b>19,182</b>	<b>21,260</b>	<b>31,822</b>	<b>26,031</b>	<b>119,442</b>	<b>895,126</b>
<b>Total Pre-Tax Income (Expense)</b>	<b>(77,438)</b>	<b>(181,430)</b>	<b>(196,792)</b>	<b>(140,868)</b>	<b>(50,430)</b>	<b>(29,547)</b>	<b>(91)</b>	<b>(19,090)</b>	<b>(21,175)</b>	<b>(31,740)</b>	<b>(25,948)</b>	<b>(119,392)</b>	<b>(693,941)</b>

**Cash Receipts & Disbursements**  
**Jan 1 - Feb 28, 2018 (Final)**

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



Shoes.com, Inc. / Onlineshoes.com Inc.  
 Jan 1 - Feb 28, 2018 Final

	Date	Number	Name	Memo	Amount	Balance
<b>Wells Fargo - OLS Master Deposit Acct 5678*</b>						
<b>Opening Balance</b>						
						-
				* Account Closed 9/30/17; Closing balance in transit to Receiver's Acct USB 7060		
				Transfer Bal by CC to USB 7060		
<b>Wells Fargo - OLS Master Oper Acct 5686*</b>						
<b>Opening Balance</b>						
				* Account Closed 8/3/17		
<b>Receiver Disbursement-USB 7060</b>						
<b>Opening Balance</b>						
						<b>27,925.19</b>
Deposits	2-Jan		FedEx	Refund - Duplicate Charge	18.98	
	1-Feb			Transfer from USB 888; Transfer to USB 7060	50,000.00	
	21-Feb		Incoming W/T from Bush Strout / Inventory Adj Escrow	Final Inventory Adjustment per Agreement	154,633.30	
					<u>204,652.28</u>	
Debits	19-Jan 11077		CAN Surety	63069169 - Rec Bond Renewal	(100.00)	
	31-Jan 11132		Oswego Group LLC	Inv 044 - 048 Nov 26 - Dec 30 2017 Fee Notice 1/19/18	(13,630.95)	
	31-Jan 11133		Schwabe, Williamson & Wyatt, PC	Inv #1505518 Fee Notice 1/19/18	(15,622.10)	
	27-Feb 11133		Schwabe, Williamson & Wyatt, PC	12th Fee Notice 2/20/18	(17,528.59)	
	27-Feb 11133		Oswego Group LLC	12th Fee Notice 2/20/18	(13,162.50)	
	27-Feb 11133		Various / Records Dispositions	Final - Estimate to Case Close	(2,500.00)	
	27-Feb 11133		Schwabe, Williamson & Wyatt, PC	Final - Estimate to Case Close	(32,471.41)	
	27-Feb 11133		Oswego Group LLC	Final - Estimate to Case Close	(19,355.95)	
	27-Feb 11133		Oswego Group LLC	Refund Opening Deposit - USB 7060 2/27/17	(10.00)	
					<u>(114,381.50)</u>	
<b>Balance</b>						<b>118,195.97</b>
<b>Receiver Sale MMA-USB 8887</b>						
<b>Opening Balance</b>						
						<b>1,951,466.37</b>
Deposits	31-Jan		US Bank	Interest per Stmt	49.01	
					<u>49.01</u>	
Debits	18-Jan		Caleres	Distribution per 1/16/18 Order	(235,000.00)	
	18-Jan		Daniel Gerler	Secured Debt Payment per Order	(1,600,000.00)	
	18-Jan		US Bank	W/T Fee - D Gerler Payment per Order	(35.00)	
	18-Jan		US Bank	W/T Fee - Caleres Payment per Order	(35.00)	
	1-Feb		Transfer to USB 7060	Transfer to Rec General Acct 7060	(50,000.00)	
					<u>(1,885,070.00)</u>	
<b>Balance</b>						<b>66,445.38</b>
<b>Total Cash Balance at 2/28/18</b>						<b>184,641.35</b>

## Accounts Receivable at February 28, 2018 (Final)

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

Shoes.com, Inc. / Onlineshoes.com Inc.  
2/28/18 Final

	Customer Name	A/R at 2/2/17	Collections 2/2 - 2/28/17	Collections 3/1 - 3/31/17	Collections 4/1 - 4/30/17	Collections 5/1 - 5/31/17	Collections 6/1 - 6/30/17	Collections 7/1 - 7/31/17	Collections 8/1 - 8/31/17	Collections 9/1 - 9/30/17	Collections 10/1 - 10/31/17	Credits per Reconciliation 11/1 - 11/30/17	Credits per Reconciliation 12/1 - 12/31/17	Credits per Reconciliation 1/1 - 2/28/18	Book Balance (Est) at 2/28/18	Est Uncollectible - subj to Reconciliation
1	Borderfree - Amex - 07-1057	1,504	(25,161)												(Note 1)	
2	Borderfree - MC - 21-1057	(3,184)	(19,064)												(Note 1)	
3	Paypal - 08-1057 / 20-1057 (Note 5)	141,413											Recon from OLS Accts	(141,413)	-	-
4	Ebay - 09-1057	16,409													16,409	16,409
5	Klarna - OLS - 08-1057	420,383										(420,383)			-	-
6	Klarna - Shoes.com - 20-1057	279,540										(279,540)			-	-
7	Amazon - OLS - 05-1057 (Note 4)												Recon Docs requested	Recon Docs Rec'd 2/12/18, Under Review	536,469	536,469
8	Amazon - Shoes.com - 22-1057 (Note 4)	545,761	(9,292)												11,002	11,002
9	Bluefly - 20-1057	27,689	(16,687)												1,448	1,448
10	Rakuten (buy.com) - 08-1057	1,670	(222)												9,057	9,057
11	Jet.com - 10-1057	10,708	(1,650)												222	222
12	Sears - 08-1057	2,187	(1,080)			(885)									5,000	5,000
	Balance / Reserve - Wells Fargo Merchant Services Credit Card Processing - Note 2	100,000						(95,000)	-							
	Affiliate - Amazon location inventories (est)	89,389		(116,000)	(36,000)				(7,841)						(Note 3)	
	Other A/R Collections (to be Reconciled)				(582)	(305)										
	<b>Total (subj to Reconciliation and Demand) at 2/28/18</b>	<b>1,633,569</b>	<b>(73,157)</b>	<b>(116,000)</b>	<b>(36,582)</b>	<b>(885)</b>	<b>(305)</b>	<b>(95,000)</b>	<b>(7,841)</b>	<b>-</b>	<b>-</b>	<b>(699,923)</b>	<b>-</b>	<b>(141,413)</b>	<b>579,607</b>	<b>579,607</b>

Preliminary - Subject to Reconciliation

Note 1: Credit balances (collections exceed book A/R) were eliminated at 6/30/17

Note 2: Subject to final reconciliation of charges and returns, a reserve balance of \$100,000 was held by Wells Fargo Merchant Services as of 6/30/17; an Order was entered in the previous case on 6/8/17 providing for the discontinuance of the litigation without prejudice and without costs to any party. Tolling through 3/30/18 is also provided by the Order, preserving the claim by allowing the holder of the Plaintiff's (Onlineshoes.com, Inc.) claims to prosecute a new action based on the original allegations. In July, the Receiver recovered \$95,000 of the reserves balance held at 6/30/17.

Note 3: Final ASE / Amazon inventory recoveries were received in August; Amount reflects gross receipts net of payment to Buyer for post-3/28 Amazon receipts per Sale Order

Note 4: Demand Letters / Reconciliation sent Oct 2017; Update re: Klarna rec to -0- at 11/30/17 / Amazon Rec Docs rec'd 2/12/18 - Under review

Note 5: Reconciliation completed - -0- Balance due / Rec to OLS accts

**Schedules B(d-f)**  
**A/R, A/P, Tax Liabilities**  
**Post-Filing at 2/28/18 (Final)**

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



Shoes.com, Inc. / Onlineshoes.com Inc.  
 February 28, 2018 (Final)

**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     **Final Inventory Adjustment Completed -**  
 - Sale Closing                             **receipt of \$154,633.30 from Escrow on**  
    **2/21/18 Per Agreements**

**Schedule B(e)**

Statement of Accounts Payable and Accrued Liabilities 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 1/27/18	-	
Receiver Fees and Expenses through Final	-	
Receiver Legal Fees and Expenses per Fee Notice through 2/9/18	-	
Receiver Legal Fees and Expenses through Final	-	
A/P - Advance - Opening deposit (USB 7060)	10	
Court Bonds (Rec Bond Premium per Order)		
Accrued Rec Litigation Counsel - NY Litigation Note 1	-	
Accrued IT / Storage - Server Access (Digital Fortress) and Records Disposition (estimated)	-	
Accrued Contractor Fees / Expense - Per Canada Rec	-	
Accrued Lease Exp - Groveport	-	
Accrued Utilities - Other	-	
Total Admin Expense Due 2/28/18	10	-

Note 1: Est. Balance -0- after application of Retainer against 7/1/17 through 2/28/18 Fees / Expenses

Note 2: Excludes ADP Refund Claim - \$4,296 per Balance Sheet Notes

**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 2/28/18 (Final)

# EXHIBIT 2

## ASSIGNMENT OF CLAIMS

1. Pursuant to that certain Stipulated Order (1) Allowing Claims of Daniel Gerler and Caleres, Investment Company, Inc., and (2) Authorizing Distribution of Estate Property to Daniel Gerler and Caleres Investment Company, Inc., entered on or about January 16, 2018, in the case of *Wells Fargo Bank, National Association v. Onlineshoes.com Inc., and Shoes.com, Inc.* (King County, Washington Superior Court Case No. 17-02-02462-7SEA) (the “Receivership Case”), Oswego Group LLC, in its capacity as the court-appointed general receiver for Onlineshoes.com Inc. in the Receivership Case (“Assignor”), hereby unconditionally and irrevocably assigns to Daniel Gerler (“Assignee”) and its successors, any and all claims, demands, and cause or causes of action that were or could have been asserted in the case styled *Onlineshoes.com Inc. v. Wells Fargo Merchant Services, LLC and Wells Fargo Bank N.A.* (Supreme Court of the State of New York, County of Suffolk, Index No. 613642/2015) (the “Assigned Claims”). The Assigned Claims shall be assigned to Assignee hereunder subject to, and without modification of or prejudice to any rights arising from, the lien securing the Gerler Secured Claim (as defined below).

2. The Assignee may in its own name, at its own expense, and for its own benefit prosecute the Assigned Claims and collect, settle, compromise and grant releases on the Assigned Claims, each in the Assignee’s sole and absolute discretion. Nothing about this Assignment, including without limitation the obligation to account to the Receiver for amounts recovered, if any, in excess of the amount of the Gerler Secured Claim described below, shall impose upon Assignee any obligation to investigate, prosecute or take any action of any kind whatsoever with respect to the Assigned Claims. Except as provided in the following paragraph, Assignee shall be entitled to all judgments, awards and payments thereon in connection with the Assigned Claims.



3. Notwithstanding the preceding sentence, and subject to the following paragraph 4, Gerler shall promptly account for and turn over to the Receiver any proceeds of the Assigned Claims and other collateral for the Gerler Secured Claim (defined below) that Gerler recovers in excess of the balance owing on the Gerler Secured Claim. As of January 18, 2018, the balance owing on the Gerler Secured Claim is the principal amount of \$1,546,993.13, plus interest accruing thereafter at the rate of 5.50% per annum (\$233.11 per diem), together with such of the attorneys' fees and expenses incurred by Assignee as may be allowed as a claim pursuant to Court order entered in the Receivership Case (the "Gerler Secured Claim").

4. In the event the Assignee at any time (a) takes such steps as are appropriate to consummate a foreclosure of the lien against the Assigned Claims securing the Gerler Secured Claim under applicable law, or (b) elects to reduce the amount of the Gerler Secured Claim by \$1,000.00 and provides notice sufficient for purposes of RCW 62A-620 through -622 to which no authorized objections are received, the obligation to account described in the preceding paragraph shall not bind the Assignee, and the Assignee may retain for its own account proceeds in excess of the amount of the Gerler Secured Claim.

5. The Assignor warrants it has full right and authority to assign the Assigned Claims on the terms described herein. Except as provided in the preceding sentence, Assignor makes no other representation or warranty of any kind. The Assigned Claims are being assigned "AS-IS", and the entire risk as to the quality and value of the Assigned Claims is with the Assignee. Assignor hereby disclaims all warranties, express or implied, including all implied warranties of merchantability and fitness for a particular purpose with respect to the Assigned Claims.

6. This assignment shall (a) be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives, and (b) survive the close of the Receivership Case and the discharge of the Receiver therein.

7. This assignment may be signed in counterparts. A fax or electronic transmission of a signature page will be considered an original signature page.

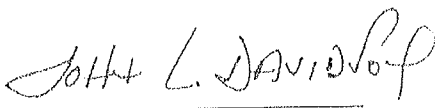
Dated effective January 18, 2018.

**ASSIGNOR:**

**ONLINESHOES.COM INC.,**  
a Washington corporation

By: OSWEGO GROUP LLC, an  
Oregon limited liability company

Its: General Receiver

By:   
John L. Davidson  
Its: Managing Member

**ASSIGNEE:**

\_\_\_\_\_  
Daniel Gerler

Contact Information for Notice to the Receiver:

Oswego Group LLC  
PO Box 861  
Lake Oswego, OR 97034  
Attention: John L. Davidson  
Ph: 503.922.1220  
email: jdavidson@inverness.us

With a copy to:

Schwabe Williamson & Wyatt  
1211 SW Fifth Avenue, Suite 1600-1900  
Portland, OR 97204  
Attention: Alex Poust  
Ph: 503.222.9981  
email: apoust@schwabe.com

6. This assignment shall (a) be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives, and (b) survive the close of the Receivership Case and the discharge of the Receiver therein.

7. This assignment may be signed in counterparts. A fax or electronic transmission of a signature page will be considered an original signature page.

Dated effective January 18, 2018.

**ASSIGNOR:**

**ONLINESHOES.COM INC.,**  
a Washington corporation

By: OSWEGO GROUP LLC, an  
Oregon limited liability company

Its: General Receiver

**ASSIGNEE:**

A handwritten signature in black ink, appearing to read 'Daniel Gerler', written over a horizontal line.

Daniel Gerler

By: \_\_\_\_\_  
John L. Davidson  
Its: Managing Member

Contact Information for Notice to the Receiver:

Oswego Group LLC  
PO Box 861  
Lake Oswego, OR 97034  
Attention: John L. Davidson  
Ph: 503.922.1220  
email: jdavidson@inverness.us

With a copy to:

Schwabe Williamson & Wyatt  
1211 SW Fifth Avenue, Suite 1600-1900  
Portland, OR 97204  
Attention: Alex Poust  
Ph: 503.222.9981  
email: apoust@schwabe.com

# EXHIBIT 3

# Accounts Receivable at February 28, 2018 (Final)

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

A/R Debtor Name	Book Balance at 2/2/17 per Companies' Records	Book Balance (Est) at 2/28/18	Est Uncollectible - subj to Reconciliation
1 Ebay - 09-1057	16,409	16,409	16,409
2 Amazon - OLS - 05-1057	545,761	536,469	536,469
3 Amazon - Shoes.com - 22-1057			
4 Bluefly - 20-1057	27,689	11,002	11,002
5 Rakuten (buy.com) - 08-1057	1,670	1,448	1,448
6 Jet.com - 10-1057	10,708	9,057	9,057
7 Sears - 08-1057	2,187	222	222
8 Balance / Reserve - Wells Fargo Merchant Services Credit Card Processing	100,000	5,000	5,000
<b>Total (subj to Reconciliation and Demand) at 2/28/18</b>	<b>1,633,569</b>	<b>579,607</b>	<b>579,607</b>

# EXHIBIT 4

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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. 17-2-02462-7SEA

**PROOF OF CLAIM**

[Deadline for non-governmental creditors: March 28, 2017; Deadline for state agencies: August 25, 2017.]

THIS PROOF OF CLAIM FORM IS TO BE USED FOR CLAIMS ARISING PRIOR TO THE DATE OF THE APPOINTMENT OF THE RECEIVER: FEBRUARY 2, 2017. ALLOWANCE OR PAYMENT OF UNPAID, ACTUAL, NECESSARY COSTS AND EXPENSES INCURRED DURING THE ADMINISTRATION OF THIS PROCEEDING MUST BE OUGHT BY SEPARATE APPLICATION TO THE COURT AND NOT BY PROOF OF CLAIM.

**Names of Debtors:** Onlineshoes.com Inc., and Shoes.com, Inc.

**Name of Receiver:** Oswego Group LLC, doing business as Inverness Group

**CREDITOR INFORMATION**

**Creditor's Name and Address:**

J/Slides  
55 Lumber rd  
Roslyn, NY 11576

Check box if the above address differs from the address on the envelope sent

PROOF OF CLAIM - 1

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

1 to you.

2 Telephone Number (optional): 212 989 0842

3 Email address (optional): info@jshoesfactory.com  
winnie@jshoesfactory.com

4 Consent to paperless notifications: To help conserve costs to the receivership estate, I agree  
5 to accept all future correspondence and service of  
6 pleadings and documents via email. I agree to provide  
7 at least two (2) business days' notice to the Receiver if  
8 I wish to withdraw from this electronic service  
9 agreement.

Yes  
 No

10  Check box if the above address differs from the address on the envelope sent  
11 to you.

12 CLAIM INFORMATION

13 I. BASIS FOR CLAIM:

- 14  Wages, Salaries and Commissions (Fill out below)  
Your Social Security No. (last four digits) \_\_\_\_\_  
Unpaid services performed from \_\_\_\_\_ to \_\_\_\_\_  
Nature of services (describe briefly) \_\_\_\_\_
- 15  Personal injury/Wrongful death/Property damage
- 16  Other (describe briefly) \_\_\_\_\_
- 17  Rent
- 18  Goods
- 19  Services performed
- 20  Monies loaned

21 II. THE DATE(S) THE DEBT TO YOU WAS INCURRED: \_\_\_\_\_

22 If you have a judgment, please either (A) include a copy to the judgment with this  
23 Proof of Claim, or (B) indicate the date of entry of the judgment, the court in which  
24 the judgment was obtained, and the case number.

25 III. IDENTITY OF DEBTOR:

26 Identify which Debtor is obligated to you on this claim:

- Shoes.com, Inc.
- Onlineshoes.com Inc.

PROOF OF CLAIM - 2

SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503 222 9981



1 **IV. AMOUNT CLAIMED WHICH IS STILL OWING TO YOU BY THE DEBTOR ON**  
 2 **ACCOUNT OF ANY TRANSACTION AS OF FEBRUARY 1, 2017.**

	Amount secured by Security Interest or Lien	Unsecured Amount
3 Principal	\$ <u>8,553.81</u>	\$ _____
4 Accrued interest as of _____	\$ _____	\$ _____
5 Other (describe): _____	\$ _____	\$ _____
6 Subtotals	(a) \$ _____	(b) \$ _____
7		
8 TOTAL OF (a) + (b)		\$ _____

9 **Briefly state the basis upon which you claim a security interest or lien (if any):**

10 \_\_\_\_\_  
 11 \_\_\_\_\_  
 12 \_\_\_\_\_  
 13 \_\_\_\_\_

14 \_\_\_\_\_ Interest of \$ \_\_\_\_\_ per day subsequent to February 2, 2017 is claimed.

15 **V. Unsecured Priority Claims.** Only certain types of unsecured claims have statutory  
 16 priority. If you assert statutory priority for your claim under RCW 7.60.230, indicate  
 17 the basis for asserting priority by checking the applicable box. Otherwise, leave this  
 18 section blank. Any claim or portion of an allowable unsecured claim for which  
 19 priority is not asserted or allowable will be treated as a general unsecured claim.

- 20  Employee Claims RCW 7.60.230(1)(d) (up to \$10,950.00)  
 21 Date included: \_\_\_\_\_ to \_\_\_\_\_  
 22 Amount: \$ \_\_\_\_\_
- 23  Deposit Claims RCW 7.60.230(1)(e) (up to \$2,425.00)  
 24 Amount: \$ \_\_\_\_\_
- 25  Support Debt Claims RCW 7.60.230(1)(f)  
 26 Amount: \$ \_\_\_\_\_
- 27  Governmental Tax Claims RCW 7.60.230(1)(g)  
 28 Amount: \$ \_\_\_\_\_

29 **VI. You must attach copies of documents in support of this claim, such as purchase**  
 30 **orders, invoices, account statements, contracts, court judgments, and evidence of any**

PROOF OF CLAIM - 3

SCHWABE, WILLIAMSON & WYATT, P.C.  
 Attorneys at Law  
 1211 SW 5th Ave., Suite 1900  
 Portland, OR 97204  
 Telephone: 503 222 9981

1 security interests or liens, and of any agreement as to the interest to be paid to you. If  
2 the documents are not available, explain. If the documents are voluminous, attach a  
3 summary. [This form should not be used to make a claim for expenses incurred after  
the filing of the Stipulated Order Appointing General Receiver on February 2, 2017]

4 **VII. Setoffs:** Have any sums owed by you to the Debtor been offset against sums owed as  
5 of February 2, 2017, by the Debtor to you in calculating your claim?  Yes  No  
6 If so, what amounts have you offset? \_\_\_\_\_  
7 Briefly describe the nature of the offsetting debt(s): \_\_\_\_\_

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**VIII. Proof of Claim Deadlines:**

A. All Proofs of Claim shall be delivered to the Receiver's attorney at the  
address provided in paragraph 7 below.

B. Except for the claims described in subsection VIII.C and VIII.D below, you  
must deliver your Proof of Claim by not later than March 28, 2017.

C. State agencies and taxing authorities must deliver their Proof of Claim by not  
later than August 25, 2017.

D. Creditors whose claims arise from the rejection of an executory contract or  
unexpired lease must deliver their Proof of Claim by not later than thirty (30) days following  
the date of entry of an Order of the Court approving the rejection of such contract or lease.

**IX. Send your completed and signed Proof of Claim, via email, mail, or hand delivery,  
to:**

Alex Poust  
Schwabe, Williamson & Wyatt, PC  
1211 SW Fifth Avenue, Suite 1500  
Portland, OR 97204  
email: apoust@schwabe.com

**YOU DO NOT NEED TO FILE THIS CLAIM WITH THE COURT.**

If you want to receive an acknowledgment of the receipt of your claim, you must  
enclose a stamped, self-addressed envelope and a copy of your claim.

**CERTIFICATION**

The undersigned certifies under penalty of perjury that the Debtor named above is  
indebted to the claimant in the amount shown, that there is no security for the debt other than  
that stated above or in an attachment to this form, that no interest other than such as had  
accrued as of February 2, 2017, has been included, that all information supplied herein is true  
and correct, and that the undersigned is authorized to make this claim. [NOTE: There may

PROOF OF CLAIM - 4

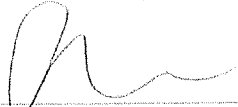
SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave., Suite 1500  
Portland, OR 97204  
Telephone: 503 222 9981

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be criminal penalties for presenting a fraudulent claim.]

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim.

Date: 3/6/17

  
\_\_\_\_\_  
Signature

President  
\_\_\_\_\_  
Print name and title, if any

StyleLine Studios LLC  
 55 Lumber Rd, #6 Roslyn, NY 11576  
 Phone: 516-625-3600 Fax: 516-200-5601

Division: STYLELINE STUDIO LLC

**INVOICE**

Page: 1

BILL TO	SHOES.COM 400-1500 WEST GEORGIA STREET VANCOUVER, BC V6G2Z6  CANADA
	SHOES.COM 2250 SETEGEL DRIVE SUITE A DOOR 54 GROVEPORT, OH 43125 USA

<b>PLEASE SEND PAYMENT TO:</b>		
HILLDUN FACTORS 225 W 35 STREET 10TH FLOOR NEW YORK, NY 10001		
Invoice Date 08/11/2016	Invoice Number 507833	
Customer No. SHO2Z6	Store No.	Order Number 9106

Customer P.O. #	Dept #	Terms	Serv Rep	Sales Rep	Pick Ticket #	Ship Via	BOL #	# Cartons	Weight
100044188		NET 30		DC	9584	GROUND		13	376

Style	Color/Style Description	Size Breakdown	Qty	Price	Total
PAGE LTHR	BKLT BLACK LEATHE PAGE	12F 2	24	60.00	1,440.00
PAGE LTHR	BWLT BLACK/WHITE PAGE	1	12	60.00	720.00
ADDIE FABR	GYFB GREY FABRIC ADDIE	2	24	39.00	936.00
ASHER LTHR	GYLT GREY LEATHER ASHER	1	12	60.00	720.00
AZTEC LTHR	BLK BLACK AZTEC	2	24	60.00	1,440.00
AZTEC SUEDE	BKSU BLK SUEDE AZTEC	2	24	60.00	1,440.00
AZTEC SUEDE	TNSU TAN SUEDE AZTEC	1	12	60.00	720.00
ARIANA FABR	BKFB BLACK FABRIC ARIANA	2	24	39.00	936.00

<b>Special Instructions:</b>  This invoice and all the merchandise it represents, has been legally assigned and checks are only payable to: HILLDUN CORPORATION 225 W. 35TH ST, 10th FL, NEW YORK, NY 10001. Who must be notified immediately of any objection to this invoice or the merchandise thereof. Payment rendered to any other entity will not fulfill your legal payment obligation. No returns accepted or claims allowed after 5 days from receipt of shipment. No returns accepted unless our authorized return label is affixed to the package. Goods shipped at consignee's risk. Our responsibility ceases upon receipt by the transportation companies. No anticipation allowed. Interest is charged on all past due invoices.	<b>TOTALS:</b>	156	8,352.00
	<b>SHIPPING &amp; HANDLING:</b>		201.81
	<b>TOTAL (USD)</b>		8,553.81

# EXHIBIT 5

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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. 17-2-02462-7SEA

**PROOF OF CLAIM**

[Deadline for non-governmental  
creditors: March 28, 2017;  
Deadline for state agencies: August 25,  
2017.]

THIS PROOF OF CLAIM FORM IS TO BE USED FOR CLAIMS ARISING PRIOR TO  
THE DATE OF THE APPOINTMENT OF THE RECEIVER: FEBRUARY 2, 2017.  
ALLOWANCE OR PAYMENT OF UNPAID, ACTUAL, NECESSARY COSTS AND  
EXPENSES INCURRED DURING THE ADMINISTRATION OF THIS PROCEEDING  
MUST BE OUGHT BY SEPARATE APPLICATION TO THE COURT AND NOT BY  
PROOF OF CLAIM.

**Names of Debtors:** Onlineshoes.com Inc., and Shoes.com, Inc.

**Name of Receiver:** Oswego Group LLC, doing business as Inverness Group

**CREDITOR INFORMATION**

**Creditor's Name and Address:**

*Portland Product Works, LLC*  
*1200 NW Naito Parkway*  
*ste 490*  
*Portland, OR 97209*

Check box if the above address differs from the address on the envelope sent

PROOF OF CLAIM - 1

SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave, Suite 1900  
Portland, OR 97204  
Telephone: 503 222 9981

1 to you.

2 Telephone Number (optional): 503-481-2280

3 Email address (optional): seanie@portlandproductworks.com

4 Consent to paperless notifications: To help conserve costs to the receivership estate, I agree  
5 to accept all future correspondence and service of  
6 pleadings and documents via email. I agree to provide  
7 at least two (2) business days' notice to the Receiver if  
8 I wish to withdraw from this electronic service  
9 agreement.

- Yes
- No

10  Check box if the above address differs from the address on the envelope sent  
11 to you.

12 CLAIM INFORMATION

13 I. BASIS FOR CLAIM:

- 14  Wages, Salaries and Commissions (Fill out below)  
Your Social Security No. (last four digits) \_\_\_\_\_  
Unpaid services performed from \_\_\_\_\_ to \_\_\_\_\_  
Nature of services (describe briefly) \_\_\_\_\_
- 15  Personal injury/Wrongful death/Property damage
- 16  Other (describe briefly) \_\_\_\_\_
- 17  Rent
- 18  Goods
- 19  Services performed
- 20  Monies loaned

21 II. THE DATE(S) THE DEBT TO YOU WAS INCURRED: 11/7/2016

22 If you have a judgment, please either (A) include a copy to the judgment with this  
23 Proof of Claim, or (B) indicate the date of entry of the judgment, the court in which  
24 the judgment was obtained, and the case number.

25 III. IDENTITY OF DEBTOR:

26 Identify which Debtor is obligated to you on this claim:

- Shoes.com, Inc.
- Onlineshoes.com Inc.

PROOF OF CLAIM - 2

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503 222 9981

1 4. **REQUEST FOR SPECIAL NOTICE.** Pursuant to RCW 7.60.190(2), any  
2 person or business interested in the receivership as a party or creditor may serve upon the  
3 Receiver's attorney and file with the clerk of the King County Superior Court a written  
4 notice of appearance stating that he/she/it desires special notice of any and all proceedings in  
5 the administration of the receivership. If you fail to enter an appearance, you will not receive  
6 notice of routine matters in the receivership.  
7

8 5. **ADDITIONAL INFORMATION.** Copies of the Receivership Order, the  
9 Proof of Claim form, and certain additional information regarding the above-captioned  
10 receivership proceeding may be obtained at the following website:  
11 <http://inverness.us/receivership-shoes-com-onlineshoes-com>.

12 Dated this 23rd day of February, 2017.

13 OSWEGO GROUP LLC, d/b/a Inverness  
14 Group  
15 General Receiver for Onlineshoes.com Inc., and  
16 Shoes.com, Inc.

17 By: /s/ John L. Davidson  
18 John Davidson, Managing Member

19 Address:  
20 PO Box 861  
21 Lake Oswego, OR 97034

22 Attorney for Receiver:

23 Alex I. Poust, WSB #22660  
24 Schwabe, Williamson & Wyatt, PC  
25 1211 SW Fifth Avenue, Suite 1500  
26 Portland, OR 97204  
Phone: 503.222.9981  
Fax: 503.796.2098  
Email: [apoust@schwabe.com](mailto:apoust@schwabe.com)

NOTICE OF RECEIVERSHIP - 3

SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave , Suite 1900  
Portland, OR 97204  
Telephone: 503 222 9981



1 IV. AMOUNT CLAIMED WHICH IS STILL OWING TO YOU BY THE DEBTOR ON  
 2 ACCOUNT OF ANY TRANSACTION AS OF FEBRUARY 1, 2017.

	Amount secured by Security Interest or Lien	Unsecured Amount
3 Principal	\$ <u>23,949.90</u>	\$ _____
4 Accrued interest as of <u>3/9/17</u>	\$ <u>1,397.05</u>	\$ _____
5 Other (describe): _____	\$ _____	\$ _____
6 Subtotals	(a) \$ <u>25,346.95</u>	(b) \$ _____
7 TOTAL OF (a) + (b)		\$ <u>25,346.95</u>

8 Briefly state the basis upon which you claim a security interest or lien (if any):  
 9 \_\_\_\_\_  
 10 \_\_\_\_\_

11 \_\_\_\_\_ Interest of \$ \_\_\_\_\_ per day subsequent to February 2, 2017 is claimed.

12 V. **Unsecured Priority Claims.** Only certain types of unsecured claims have statutory  
 13 priority. If you assert statutory priority for your claim under RCW 7.60.230, indicate  
 14 the basis for asserting priority by checking the applicable box. Otherwise, leave this  
 15 section blank. Any claim or portion of an allowable unsecured claim for which  
 16 priority is not asserted or allowable will be treated as a general unsecured claim.

- 17  Employee Claims RCW 7.60.230(1)(d) (up to \$10,950.00)  
 18 Date included: \_\_\_\_\_ to \_\_\_\_\_  
 19 Amount: \$ \_\_\_\_\_
- 20  Deposit Claims RCW 7.60.230(1)(e) (up to \$2,425.00)  
 21 Amount: \$ \_\_\_\_\_
- 22  Support Debt Claims RCW 7.60.230(1)(f)  
 23 Amount: \$ \_\_\_\_\_
- 24  Governmental Tax Claims RCW 7.60.230(1)(g)  
 25 Amount: \$ \_\_\_\_\_

26 VI. You must attach copies of documents in support of this claim, such as purchase orders, invoices, account statements, contracts, court judgments, and evidence of any

PROOF OF CLAIM - 3

SCHWABE, WILLIAMSON & WYATT, P C  
 Attorneys at Law  
 1211 SW 5th Ave., Suite 1900  
 Portland, OR 97204  
 Telephone: 503 222 9981

1 security interests or liens, and of any agreement as to the interest to be paid to you. If  
2 the documents are not available, explain. If the documents are voluminous, attach a  
3 summary. [This form should not be used to make a claim for expenses incurred after  
the filing of the Stipulated Order Appointing General Receiver on February 2, 2017]

4 **VII. Setoffs:** Have any sums owed by you to the Debtor been offset against sums owed as  
5 of February 2, 2017, by the Debtor to you in calculating your claim?  Yes  No  
6 If so, what amounts have you offset? \_\_\_\_\_  
7 Briefly describe the nature of the offsetting debt(s): \_\_\_\_\_

8 **VIII. Proof of Claim Deadlines:**

9 A. All Proofs of Claim shall be delivered to the Receiver's attorney at the  
10 address provided in paragraph 7 below.

11 B. Except for the claims described in subsection VIII.C and VIII.D below, you  
12 must deliver your Proof of Claim by not later than March 28, 2017.

13 C. State agencies and taxing authorities must deliver their Proof of Claim by not  
14 later than August 25, 2017.

15 D. Creditors whose claims arise from the rejection of an executory contract or  
16 unexpired lease must deliver their Proof of Claim by not later than thirty (30) days following  
17 the date of entry of an Order of the Court approving the rejection of such contract or lease.

18 **IX. Send your completed and signed Proof of Claim, via email, mail, or hand delivery,**  
19 **to:**

20 Alex Poust  
21 Schwabe, Williamson & Wyatt, PC  
22 1211 SW Fifth Avenue, Suite 1500  
23 Portland, OR 97204  
24 email: apoust@schwabe.com

25 **YOU DO NOT NEED TO FILE THIS CLAIM WITH THE COURT.**

26 If you want to receive an acknowledgment of the receipt of your claim, you must  
enclose a stamped, self-addressed envelope and a copy of your claim.

**CERTIFICATION**

The undersigned certifies under penalty of perjury that the Debtor named above is  
indebted to the claimant in the amount shown, that there is no security for the debt other than  
that stated above or in an attachment to this form, that no interest other than such as had  
accrued as of February 2, 2017, has been included, that all information supplied herein is true  
and correct, and that the undersigned is authorized to make this claim. [NOTE: There may

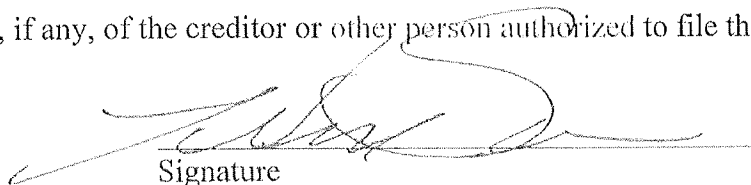
PROOF OF CLAIM - 4

SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave., Suite 1500  
Portland, OR 97204  
Telephone: 503 222 9981

1 be criminal penalties for presenting a fraudulent claim.]

2 Sign and print the name and title, if any, of the creditor or other person authorized to file this  
3 claim.

4 Date: 3/9/17

  
Signature

Wendy Spence/Finance  
Print name and title, if any manager

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# EXHIBIT 6

RECEIVED

MAR 28 2017

Schwabe, Williamson & Wyatt

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. 17-2-02462-7SEA

**PROOF OF CLAIM**

[Deadline for non-governmental  
creditors: March 28, 2017;  
Deadline for state agencies: August 25,  
2017.]

THIS PROOF OF CLAIM FORM IS TO BE USED FOR CLAIMS ARISING PRIOR TO  
THE DATE OF THE APPOINTMENT OF THE RECEIVER: FEBRUARY 2, 2017.  
ALLOWANCE OR PAYMENT OF UNPAID, ACTUAL, NECESSARY COSTS AND  
EXPENSES INCURRED DURING THE ADMINISTRATION OF THIS PROCEEDING  
MUST BE OUGHT BY SEPARATE APPLICATION TO THE COURT AND NOT BY  
PROOF OF CLAIM.

**Names of Debtors:** Onlineshoes.com Inc., and Shoes.com, Inc.

**Name of Receiver:** Oswego Group LLC, doing business as Inverness Group

**CREDITOR INFORMATION**

**Creditor's Name and Address:**

City Saver Guide Inc.  
105 S First Colonial Rd #115  
Virginia Beach, VA 23454

Check box if the above address differs from the address on the envelope sent

PROOF OF CLAIM - 1

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

1 to you.

2 Telephone Number (optional):

757-454-2400

3 Email address (optional):

ron@citysaverguide.com

4 Consent to paperless notifications: To help conserve costs to the receivership estate, I agree  
5 to accept all future correspondence and service of  
6 pleadings and documents via email. I agree to provide  
7 at least two (2) business days' notice to the Receiver if  
8 I wish to withdraw from this electronic service  
9 agreement.

Yes  
 No

10  Check box if the above address differs from the address on the envelope sent  
11 to you.

12 CLAIM INFORMATION

13 I. BASIS FOR CLAIM:

- 14  Wages, Salaries and Commissions (Fill out below)  
Your Social Security No. (last four digits) \_\_\_\_\_  
Unpaid services performed from \_\_\_\_\_ to \_\_\_\_\_  
Nature of services (describe briefly) \_\_\_\_\_
- 15  Personal injury/Wrongful death/Property damage
- 16  Other (describe briefly) \_\_\_\_\_
- 17  Rent
- 18  Goods
- 19  Services performed
- 20  Monies loaned

21 II. THE DATE(S) THE DEBT TO YOU WAS INCURRED: 9/27/16 & 12/6/16

22 If you have a judgment, please either (A) include a copy to the judgment with this  
23 Proof of Claim, or (B) indicate the date of entry of the judgment, the court in which  
24 the judgment was obtained, and the case number.

25 III. IDENTITY OF DEBTOR:

26 Identify which Debtor is obligated to you on this claim:

- Shoes.com, Inc.
- Onlineshoes.com Inc.

PROOF OF CLAIM - 2

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

1 **IV. AMOUNT CLAIMED WHICH IS STILL OWING TO YOU BY THE DEBTOR ON**  
 2 **ACCOUNT OF ANY TRANSACTION AS OF FEBRUARY 1, 2017.**

	Amount secured by Security Interest or Lien	Unsecured Amount
3 Principal	\$ . . . . . -	\$ <u>8130.<sup>00</sup></u>
4 Accrued interest as of <u>3-2-17</u>	\$ <u>1170.12</u>	\$ _____
5 Other (describe): <u>Late Fee</u>	\$ _____	\$ <u>75<sup>00</sup></u>
6 Subtotals	(a) \$ <u>1170.72</u>	(b) \$ <u>8,205.<sup>00</sup></u>
7		\$ <u>9375.72</u>
8 TOTAL OF (a) + (b)		\$ <u>9375.72</u>

9 Briefly state the basis upon which you claim a security interest or lien (if any):  
 10 \_\_\_\_\_  
 11 \_\_\_\_\_  
 12 \_\_\_\_\_  
 13 \_\_\_\_\_

14 24% APR Interest of \$ \_\_\_\_\_ per day subsequent to February 2, 2017 is claimed.

15 **V. Unsecured Priority Claims.** Only certain types of unsecured claims have statutory  
 16 priority. If you assert statutory priority for your claim under RCW 7.60.230, indicate  
 17 the basis for asserting priority by checking the applicable box. Otherwise, leave this  
 18 section blank. Any claim or portion of an allowable unsecured claim for which  
 19 priority is not asserted or allowable will be treated as a general unsecured claim.

- 20  Employee Claims RCW 7.60.230(1)(d) (up to \$10,950.00)  
 21 Date included: \_\_\_\_\_ to \_\_\_\_\_  
 22 Amount: \$ \_\_\_\_\_
- 23  Deposit Claims RCW 7.60.230(1)(e) (up to \$2,425.00)  
 24 Amount: \$ \_\_\_\_\_
- 25  Support Debt Claims RCW 7.60.230(1)(f)  
 26 Amount: \$ \_\_\_\_\_
- Governmental Tax Claims RCW 7.60.230(1)(g)  
 Amount: \$ \_\_\_\_\_

**VI. You must attach copies of documents in support of this claim, such as purchase orders, invoices, account statements, contracts, court judgments, and evidence of any**

PROOF OF CLAIM - 3

SCHWABE, WILLIAMSON & WYATT, P.C.  
 Attorneys at Law  
 1211 SW 5th Ave., Suite 1900  
 Portland, OR 97204  
 Telephone: 503.222.5081

1 security interests or liens, and of any agreement as to the interest to be paid to you. If  
2 the documents are not available, explain. If the documents are voluminous, attach a  
3 summary. [This form should not be used to make a claim for expenses incurred after  
the filing of the Stipulated Order Appointing General Receiver on February 2, 2017]

4 **VII. Setoffs:** Have any sums owed by you to the Debtor been offset against sums owed as  
5 of February 2, 2017, by the Debtor to you in calculating your claim?  Yes  No  
6 If so, what amounts have you offset? \_\_\_\_\_  
Briefly describe the nature of the offsetting debt(s): \_\_\_\_\_

7 **VIII. Proof of Claim Deadlines:**

8 A. All Proofs of Claim shall be delivered to the Receiver's attorney at the  
9 address provided in paragraph 7 below.

10 B. Except for the claims described in subsection VIII.C and VIII.D below, you  
11 must deliver your Proof of Claim by not later than March 28, 2017.

12 C. State agencies and taxing authorities must deliver their Proof of Claim by not  
later than August 25, 2017.

13 D. Creditors whose claims arise from the rejection of an executory contract or  
14 unexpired lease must deliver their Proof of Claim by not later than thirty (30) days following  
the date of entry of an Order of the Court approving the rejection of such contract or lease.

15 **IX. Send your completed and signed Proof of Claim, via email, mail, or hand delivery,**  
16 **to:**

17 Alex Poust  
18 Schwabe, Williamson & Wyatt, PC  
19 1211 SW Fifth Avenue, Suite 1500  
20 Portland, OR 97204  
21 email: apoust@schwabe.com



22 **YOU DO NOT NEED TO FILE THIS CLAIM WITH THE COURT.**

23 If you want to receive an acknowledgment of the receipt of your claim, you must  
24 enclose a stamped, self-addressed envelope **and** a copy of your claim.

25 **CERTIFICATION**

26 The undersigned certifies under penalty of perjury that the Debtor named above is  
indebted to the claimant in the amount shown, that there is no security for the debt other than  
that stated above or in an attachment to this form, that no interest other than such as had  
accrued as of February 2, 2017, has been included, that all information supplied herein is true  
and correct, and that the undersigned is authorized to make this claim. [NOTE: There may

PROOF OF CLAIM - 4

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

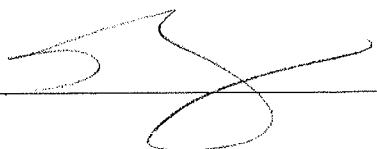


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be criminal penalties for presenting a fraudulent claim.]

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim.

Date: 3.17.17

  
\_\_\_\_\_  
Signature

Ron Brooks, President  
Print name and title, if any

# EXHIBIT 7

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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. 17-2-02462-7SEA

**PROOF OF CLAIM**

[Deadline for non-governmental creditors: March 28, 2017;  
Deadline for state agencies: August 25, 2017.]

THIS PROOF OF CLAIM FORM IS TO BE USED FOR CLAIMS ARISING PRIOR TO THE DATE OF THE APPOINTMENT OF THE RECEIVER: FEBRUARY 2, 2017. ALLOWANCE OR PAYMENT OF UNPAID, ACTUAL, NECESSARY COSTS AND EXPENSES INCURRED DURING THE ADMINISTRATION OF THIS PROCEEDING MUST BE OUGHT BY SEPARATE APPLICATION TO THE COURT AND NOT BY PROOF OF CLAIM.

**Names of Debtors:** Onlineshoes.com Inc., and Shoes.com, Inc.

**Name of Receiver:** Oswego Group LLC, doing business as Inverness Group

**CREDITOR INFORMATION**

**Creditor's Name and Address:** Outlet Mall Properties, L.C.  
1080 LASKIN RD. # 103  
VA. BEACH, VA 23451  
ATTN: M.E. BARNEY

Check box if the above address differs from the address on the envelope sent

PROOF OF CLAIM - 1

SCHWABE, WILLIAMSON & WYATT, P C  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503 222 9981

1 IV. AMOUNT CLAIMED WHICH IS STILL OWING TO YOU BY THE DEBTOR ON  
 2 ACCOUNT OF ANY TRANSACTION AS OF FEBRUARY 1, 2017.

	Amount secured by Security Interest or Lien	Unsecured Amount
3 Principal	\$ 4,036.90*	\$ _____
4 Accrued interest as of _____	\$ _____	\$ _____
5 Other (describe): _____	\$ _____	\$ _____
6 Subtotals	(a) \$ 4,036.90	(b) \$ _____
7 TOTAL OF (a) + (b)		\$ 4,036.90

8 \* SEE EXHIBIT A ATTACHED

9 Briefly state the basis upon which you claim a security interest or lien (if any):

10 LANDLORD'S LIEN FOR UP TO 6 MONTHS RENT  
 11 UNDER VIRGINIA LAW (§§ 55-231 & -233).

12 \_\_\_\_\_ Interest of \$ \_\_\_\_\_ per day subsequent to February 2, 2017 is claimed.

13 V. Unsecured Priority Claims. Only certain types of unsecured claims have statutory  
 14 priority. If you assert statutory priority for your claim under RCW 7.60.230, indicate  
 15 the basis for asserting priority by checking the applicable box. Otherwise, leave this  
 16 section blank. Any claim or portion of an allowable unsecured claim for which  
 17 priority is not asserted or allowable will be treated as a general unsecured claim.

- 18  Employee Claims RCW 7.60.230(1)(d) (up to \$10,950.00)  
 19 Date included: \_\_\_\_\_ to \_\_\_\_\_  
 20 Amount: \$ \_\_\_\_\_
- 21  Deposit Claims RCW 7.60.230(1)(e) (up to \$2,425.00)  
 22 Amount: \$ \_\_\_\_\_
- 23  Support Debt Claims RCW 7.60.230(1)(f)  
 24 Amount: \$ \_\_\_\_\_
- 25  Governmental Tax Claims RCW 7.60.230(1)(g)  
 26 Amount: \$ \_\_\_\_\_

VI. You must attach copies of documents in support of this claim, such as purchase  
 orders, invoices, account statements, contracts, court judgments, and evidence of any

PROOF OF CLAIM - 3

SCHWABE, WILLIAMSON & WYATT, P.C.  
 Attorneys at Law  
 1211 SW 5th Ave., Suite 1900  
 Portland, OR 97204  
 Telephone: 503 222 9981

1 be criminal penalties for presenting a fraudulent claim.]

2 Sign and print the name and title, if any, of the creditor or other person authorized to file this  
3 claim.

4 Date: MARCH 6, 2017

  
Signature

Michael E. BARNEY, MANAGER  
Print name and title, if any

7 Attachments: EXHIBIT A - RENT + COSTS  
8 EXHIBIT B - LEASE  
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# EXHIBIT 8

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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. 17-2-02462-7SEA

**CONTRACT  
PROOF OF CLAIM / REJECTION  
DAMAGES**

[Deadline for non-governmental  
creditors: ~~March 15~~ 2017;  
Deadline for state agencies: August 25,  
2017.]

THIS PROOF OF CLAIM FORM IS TO BE USED FOR CLAIMS ARISING PRIOR TO  
THE DATE OF THE APPOINTMENT OF THE RECEIVER: FEBRUARY 2, 2017.  
ALLOWANCE OR PAYMENT OF UNPAID, ACTUAL, NECESSARY COSTS AND  
EXPENSES INCURRED DURING THE ADMINISTRATION OF THIS PROCEEDING  
MUST BE OUGHT BY SEPARATE APPLICATION TO THE COURT AND NOT BY  
PROOF OF CLAIM.

**Names of Debtors:** Onlineshoes.com Inc., and Shoes.com, Inc.

**Name of Receiver:** Oswego Group LLC, doing business as Inverness Group

**CREDITOR INFORMATION**

**Creditor's Name and Address:**

DUTLET MALL PROPERTIES, L.C.  
1080 LASKIN RD. # 103  
VA. BEACH, VA 23451  
ATTN: M.E. BARNEY

Check box if the above address differs from the address on the envelope sent

PROOF OF CLAIM #2

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 6th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

to you.

Telephone Number (optional):

757-491-4040

Email address (optional):

MEBARNEY@KAUFMAN.COM

Consent to paperless notifications: To help conserve costs to the receivership estate, I agree to accept all future correspondence and service of pleadings and documents via email. I agree to provide at least two (2) business days' notice to the Receiver if I wish to withdraw from this electronic service agreement.

Yes
 No

Check box if the above address differs from the address on the envelope sent to you.

CLAIM INFORMATION

I. BASIS FOR CLAIM:

- Wages, Salaries and Commissions (Fill out below)
Your Social Security No. (last four digits)
Unpaid services performed from to
Nature of services (describe briefly)
Personal injury/Wrongful death/Property damage
Other (describe briefly) LEASE REJECTION DAMAGES
Rent
Goods
Services performed
Monies loaned

II. THE DATE(S) THE DEBT TO YOU WAS INCURRED: 01-08-2014

If you have a judgment, please either (A) include a copy to the judgment with this Proof of Claim, or (B) indicate the date of entry of the judgment, the court in which the judgment was obtained, and the case number.

III. IDENTITY OF DEBTOR:

Identify which Debtor is obligated to you on this claim:

- Shoes.com, Inc.
Onlineshoes.com Inc.

PROOF OF CLAIM - 2

SCHWABE, WILLIAMSON & WYATT, P.C.
Attorneys at Law
1211 SW 5th Ave., Suite 1900
Portland, OR 97204
Telephone: 503.222.9981



IV. AMOUNT CLAIMED WHICH IS STILL OWING TO YOU BY THE DEBTOR ON ACCOUNT OF ANY TRANSACTION AS OF FEBRUARY 1, 2017.

FROM AND AFTER

	Amount secured by Security Interest or Lien	Unsecured Amount
Principal <u>Post Petition Rent 2-1-17 thru 5-15-17</u>	\$ <u>7,777.00</u>	\$ <u>- 0 -</u>
Accrued interest as of _____	\$ _____	\$ _____
Other (describe): <u>LEASE REJECTION DAMAGE CLAIM PER LEASE AMENDMENT DATED 01-08-2014</u>	\$ <u>6,157.65</u>	\$ <u>25,510.35</u>
Subtotals	(a) \$ <u>13,934.65</u>	(b) \$ <u>25,510.35</u>
TOTAL OF (a) + (b)		\$ <u>39,445.00</u>

Briefly state the basis upon which you claim a security interest or lien (if any):

LANDLORD'S LIEN FOR UP TO -6- MONTHS RENT UNDER VIRGINIA CODE SECTIONS 55-231 + 233

— Interest of \$ — per day subsequent to February 2, 2017 is claimed.

V. **Unsecured Priority Claims.** Only certain types of unsecured claims have statutory priority. If you assert statutory priority for your claim under RCW 7.60.230, indicate the basis for asserting priority by checking the applicable box. Otherwise, leave this section blank. Any claim or portion of an allowable unsecured claim for which priority is not asserted or allowable will be treated as a general unsecured claim.

- Employee Claims RCW 7.60.230(1)(d) (up to \$10,950.00)  
Date included: \_\_\_\_\_ to \_\_\_\_\_  
Amount: \$ \_\_\_\_\_
- Deposit Claims RCW 7.60.230(1)(e) (up to \$2,425.00)  
Amount: \$ \_\_\_\_\_
- Support Debt Claims RCW 7.60.230(1)(f)  
Amount: \$ \_\_\_\_\_
- Governmental Tax Claims RCW 7.60.230(1)(g)  
Amount: \$ \_\_\_\_\_

VI. You must attach copies of documents in support of this claim, such as purchase orders, invoices, account statements, contracts, court judgments, and evidence of any

PROOF OF CLAIM - 3

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1900  
Portland, OR 97204  
Telephone: 503.222.9981

1 security interests or liens, and of any agreement as to the interest to be paid to you. If  
2 the documents are not available, explain. If the documents are voluminous, attach a  
3 summary. [This form should not be used to make a claim for expenses incurred after  
4 the filing of the Stipulated Order Appointing General Receiver on February 2, 2017]  
5 LEASE IS ATTACHED AS EXHIBIT B.

6 **VII. Setoffs:** Have any sums owed by you to the Debtor been offset against sums owed as  
7 of February 2, 2017, by the Debtor to you in calculating your claim?  Yes  No  
8 If so, what amounts have you offset? NONE DUE - 0 -  
9 Briefly describe the nature of the offsetting debt(s): \_\_\_\_\_  
10 \_\_\_\_\_  
11 \_\_\_\_\_

12 **VIII. Proof of Claim Deadlines:**

13 A. All Proofs of Claim shall be delivered to the Receiver's attorney at the  
14 address provided in paragraph 7 below.

15 B. Except for the claims described in subsection VIII.C and VIII.D below, you  
16 must deliver your Proof of Claim by not later than March 28, 2017. JUNE 15, 2017

17 C. State agencies and taxing authorities must deliver their Proof of Claim by not  
18 later than August 25, 2017.

19 D. Creditors whose claims arise from the rejection of an executory contract or  
20 unexpired lease must deliver their Proof of Claim by not later than thirty (30) days following  
21 the date of entry of an Order of the Court approving the rejection of such contract or lease.

22 **IX. Send your completed and signed Proof of Claim,** via email, mail, or hand delivery,  
23 to:

24 Alex Poust  
25 Schwabe, Williamson & Wyatt, PC  
26 1211 SW Fifth Avenue, Suite 1500  
Portland, OR 97204  
email: apoust@schwabe.com

**YOU DO NOT NEED TO FILE THIS CLAIM WITH THE COURT.**

If you want to receive an acknowledgment of the receipt of your claim, you must  
enclose a stamped, self-addressed envelope **and** a copy of your claim.

**CERTIFICATION**

The undersigned certifies under penalty of perjury that the Debtor named above is  
indebted to the claimant in the amount shown, that there is no security for the debt other than  
that stated above or in an attachment to this form, that no interest other than such as had  
accrued as of February 2, 2017, has been included, that all information supplied herein is true  
and correct, and that the undersigned is authorized to make this claim. [NOTE: There may

PROOF OF CLAIM - 4

SCHWABE, WILLIAMSON & WYATT, P.C.  
Attorneys at Law  
1211 SW 5th Ave., Suite 1500  
Portland, OR 97204  
Telephone: 503.222.9981

1 be criminal penalties for presenting a fraudulent claim.]

2 Sign and print the name and title, if any, of the creditor or other person authorized to file this  
3 claim.

4 Date: May 23, 2017

  
Signature

Michael E. Baerney, Manager  
Print name and title, if any

5  
6  
7 EXHIBIT A - Pre-Petition CLAIM  
8 Attachments: EXHIBIT B - LEASE  
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# EXHIBIT 9

## ASSIGNMENT OF ACCOUNTS RECEIVABLE

1. Pursuant to that certain Order: (1) Approving Final Report, (2) Authorizing Distribution of Remaining Estate Property, (3) Authorizing Abandonment of Records, (4) Disallowing and Re-characterizing Certain Claims, (5) Exonerating the Receiver's Bond, (6) Discharging the Receiver and Terminating the Receivership, and Granting Related Relief entered on or about April \_\_\_\_, 2018, in the case of *Wells Fargo Bank, National Association v. Onlineshoes.com Inc., and Shoes.com, Inc.* (King County, Washington Superior Court Case No. 17-02-02462-7SEA) (the "Receivership Case"), Oswego Group LLC, in its capacity as the court-appointed general receiver for Onlineshoes.com Inc. in the Receivership Case ("Assignor"), hereby unconditionally and irrevocably assigns to Daniel Gerler ("Assignee") and his successors, all of Assignor's right, title and interest in the accounts receivable and payment intangibles described on the attached Schedule 1 (the "Assigned Accounts"). This assignment of the Assigned Accounts is absolute, and is not intended for security purposes. The Assigned Accounts are assigned to Assignee hereunder subject to, and without modification of or prejudice to any rights arising from, the lien securing the Gerler Secured Claim (as defined below).

2. The Assignee may in its own name, at its own expense, and for its own benefit collect, settle, compromise and grant releases on the Assigned Accounts, each in the Assignee's sole and absolute discretion. Nothing about this Assignment, including without limitation the obligation to account to the Receiver for amounts recovered, if any, in excess of the amount of the Gerler Secured Claim described below, shall impose upon Assignee any obligation to investigate, prosecute or take any action of any kind whatsoever with respect to the Assigned Accounts. Except as provided in the following paragraph, Assignee shall be entitled to all judgments, awards and payments thereon in connection with the Assigned Accounts.

3. Notwithstanding the preceding sentence, and subject to the following paragraph 4, Gerler shall promptly account for and turn over to the Receiver any proceeds of the Assigned Accounts and other collateral for the Gerler Secured Claim (defined below) that Gerler recovers in excess of the balance owing on the Gerler Secured Claim. As of January 18, 2018, the balance owing on the Gerler Secured Claim is the principal amount of \$1,546,993.13, plus interest accruing thereafter at the rate of 5.50% per annum (\$233.11 per diem), together with such of the attorneys' fees and expenses incurred by Assignee as may be allowed as a claim pursuant to Court order entered in the Receivership Case (the "Gerler Secured Claim").

4. In the event the Assignee at any time (a) takes such steps as are appropriate to consummate a foreclosure of the lien against the Assigned Accounts securing the Gerler Secured Claim under applicable law, or (b) elects to reduce the amount of the Gerler Secured Claim by \$1,000.00 and provides notice sufficient for purposes of RCW 62A-620 through -622 to which no authorized objections are received, the obligation to account described in the preceding paragraph shall not bind the Assignee, and the Assignee may retain for its own account proceeds in excess of the amount of the Gerler Secured Claim.

5. The Assignor warrants it has full right and authority to assign the Assigned Accounts on the terms described herein. Except as provided in the preceding sentence, Assignor makes no other representation or warranty of any kind. The Assigned Accounts are being assigned "AS-IS", and the entire risk as to the quality and value of the Assigned Accounts is with the Assignee. Assignor hereby disclaims all warranties, express or implied, including all implied warranties of merchantability and fitness for a particular purpose with respect to the Assigned Accounts.

6. This assignment shall (a) be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives, and (b) survive the close of the Receivership Case and the discharge of the Receiver therein.

7. This assignment may be signed in counterparts. A fax or electronic transmission of a signature page will be considered an original signature page.

Dated effective April \_\_\_\_, 2018.

**ASSIGNOR:**

**ONLINESHOES.COM INC.**,  
a Washington corporation

By: OSWEGO GROUP LLC, an  
Oregon limited liability company

Its: General Receiver

**ASSIGNEE:**

\_\_\_\_\_  
Daniel Gerler

By: \_\_\_\_\_  
John L. Davidson  
Its: Managing Member

Contact Information for Notice to the Receiver:

Oswego Group LLC  
PO Box 861  
Lake Oswego, OR 97034  
Attention: John L. Davidson  
Ph: 503.922.1220  
email: j davidson@inverness.us

With a copy to:

Schwabe Williamson & Wyatt  
1211 SW Fifth Avenue, Suite 1600-1900  
Portland, OR 97204  
Attention: Alex Poust  
Ph: 503.222.9981  
email: apoust@schwabe.com

# SCHEDULE 1

(Assigned Accounts)



# Accounts Receivable at February 28, 2018 (Final)

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

A/R Debtor Name	Book Balance at 2/2/17 per Companies' Records	Book Balance (Est) at 2/28/18	Est Uncollectible - subj to Reconciliation
1 Ebay - 09-1057	16,409	16,409	16,409
2 Amazon - OLS - 05-1057	545,761	536,469	536,469
3 Amazon - Shoes.com - 22-1057			
4 Bluefly - 20-1057	27,689	11,002	11,002
5 Rakuten (buy.com) - 08-1057	1,670	1,448	1,448
6 Jet.com - 10-1057	10,708	9,057	9,057
7 Sears - 08-1057	2,187	222	222
8 Balance / Reserve - Wells Fargo Merchant Services Credit Card Processing	100,000	5,000	5,000
<b>Total (subj to Reconciliation and Demand) at 2/28/18</b>	<b>1,633,569</b>	<b>579,607</b>	<b>579,607</b>