

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE
CANADA INC, PAYLESS SHOESOURCE GP INC AND THE OTHER
ENTITIES LISTED ON SCHEDULE "A"; HERETO**

**APPLICATION OF PAYLESS HOLDINGS LLC, UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36 AS AMENDED**

AFFIDAVIT OF LIPI MISHRA

Sworn April 7, 2017

I, Lipi Mishra, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am an articling student with the law firm of Osler, Hoskin & Harcourt LLP, counsel to Payless Holdings LLC ("**Payless Holdings**" or the "**Applicant**") in its capacity as foreign representative of Payless ShoeSource Canada Inc., Payless ShoeSource GP Inc. together with the other entities listed on Schedule "A" hereto (collectively with the Applicant, the "**Chapter 11 Debtors**" and each, a "**Chapter 11 Debtor**"). As such, I have personal knowledge of the matters deposed to in this affidavit, except where indicated otherwise.

2. Copies of certified copies of the following Orders granted by the U.S. Court are attached hereto:

- (a) Order Authorizing *Payless Holdings LLC* to Act as Foreign Representative on Behalf of the Debtors' Estates (the "**Foreign Representative Order**"), attached hereto as Exhibit "A";

- (b) Interim Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief (the “**Interim DIP Order**”), attached hereto as Exhibit “B” ;
- (c) Interim Order (I) Authorizing the Debtors to (A) Honor Certain Prepetition Obligations to Customers and Partners and (B) Continue Certain Customer and Partner Programs in the Ordinary Course of Business and (II) Granting Related Relief (the “**Interim Customer and Partner Order**”), attached hereto as Exhibit “C”;
- (d) Interim Order (I) Authorizing the Debtors to (A) Continue Insurance Coverage Entered Into Prepetition and Satisfy Prepetition Obligations Related Thereto and (B) Renew, Supplement or Purchase Insurance Policies, and (II) Related Relief (the “**Interim Insurance Order**”), attached hereto as Exhibit “D”;
- (e) Interim Order Authorizing the Debtors to Pay Certain Prepetition Claims of (I) Critical Vendors and (II) Carrier, Warehousemen, and Section 503(B)(9) Claimants and (B) Granting Related Relief (the “**Interim Critical Vendors Order**”), attached hereto as Exhibit “E”;
- (f) Interim Order (I) Authorizing the Debtors to (A) Continue Using the Cash Management System and (B) Maintain Existing Bank Accounts and Business Forms and Books and Records; (II) Authorizing Continued Intercompany Transactions; (III) Granting Administrative Expense Status to Post-Petition Intercompany Payments; and (IV) Granting Related Relief (the “**Interim Cash Management Order**”), attached hereto as Exhibit “F”;

- (g) Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief (the “**Joint Administration Order**”), attached hereto as Exhibit “G”;
- (h) Interim Order (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief (the “**Prepetition Wages and Benefits Order**”), attached hereto as Exhibit “H”;
- (i) Interim Order (I) Authorizing the Debtors to Continue and Renew the Surety Bond Program on an Uninterrupted basis; and (ii) Granting Related Relief (the “**Surety Bond Order**”), attached hereto as Exhibit “I”;
- (j) Interim Order (I) Authorizing the Payment of Certain Prepetition Taxes and Fees and (II) Granting Related Relief (the “**Prepetition Taxes and Fees Order**”), attached hereto as Exhibit “J”;

3. On April 4, 2017, the Chapter 11 Debtors each filed voluntary petitions for relief (the “**Petitions**”) pursuant to chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”). Copies of the first page of the certified petitions are attached hereto as Exhibit “K” and copies of the certified copies of the full certified petitions are available upon request.

4. I make this affidavit in support of the within Application and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,
in the Province of Ontario on April 7, 2017.



Commissioner for Taking Affidavits

Natasha Antoinette Chin,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.



Lipi Mishra

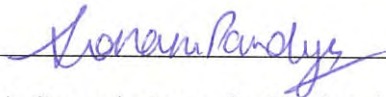
SCHEDULE "A"

ADDITIONAL CHAPTER 11 DEBTORS

Payless Intermediate Holdings LLC
WBG PSS Holdings LLC
Payless Inc.
Payless Finance, Inc.
Collective Brands Services, Inc.
PSS Delaware Company 4, Inc.
Shoe Sourcing, Inc
Payless ShoeSource, Inc
Eastborough, Inc.
Payless Purchasing Services, Inc.
Payless ShoeSource Merchandising, Inc.
Payless Gold Value CO, Inc.
Payless ShoeSource Distribution, Inc.
Payless ShoeSource Worldwide, Inc.
Payless NYC, Inc.
Payless ShoeSource of Puerto Rico, Inc.
Payless Collective GP, LLC
Collective Licensing, LP
Collective Licensing International LLC
Clinch, LLC
Collective Brands Franchising Services, LLC
Payless International Franchising, LLC
Collective Brands Logistics, Limited
Dynamic Assets Limited
PSS Canada, Inc.

TAB A

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT
UNITED STATES BANKRUPTCY COURT 4/5/17
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION Total # Pages of Document (With Attachments) : 4

In Re:)
)
Payless Holdings LLC, et al.,)
)
)
)
Debtors.)

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Case No. 17-42267-659 *Austen Rosenberg*
Chapter 11 Deputy Clerk
Date of Certification: 4/6/17
Jointly Administered

ORDER AUTHORIZING PAYLESS HOLDINGS LLC TO ACT AS FOREIGN REPRESENTATIVE ON BEHALF OF THE DEBTORS' ESTATES

Upon the *Motion For An Order Authorizing Payless Holdings LLC To Serve As Foreign Representative On Behalf Of The Debtors' Estates* (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") (a) authorizing Payless to act as a Foreign Representative on behalf of the Debtors' estates in the Canadian Proceeding; (b) authorizing Payless to seek recognition by the Canadian Court of the Chapter 11 Cases and the orders made by the Court in the Chapter 11 Cases; (c) requesting that the Canadian Court lend assistance to this Court; (d) granting any other appropriate relief from the Canadian Court that Payless deems just and proper in the furtherance of the protection of the Debtors' estates; and (e) obtaining related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having

¹ Capitalized terms used but not otherwise defined in this Motion shall have the meanings assigned to such terms elsewhere in the Motion or in the First Day Declaration, as applicable.



found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. Notice of the Motion was proper, timely, adequate and sufficient under the particular circumstances.
3. Debtor Payless Holdings LLC is hereby authorized (a) act as the Foreign Representative of the Debtors; (b) seek recognition by these Chapter 11 Cases in the Canadian Proceeding; (c) request that the Canadian Court lend assistance to this Court in protecting the property of the estate; and (d) seek any other appropriate relief from the Canadian Court that Payless deems just and proper in the furtherance of the protection of the Debtors' Estates.
4. This Court requests the aid and assistance of the Canadian Court to recognize these Chapter 11 Cases as a "foreign main proceeding" and Payless as a "foreign representative" pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.



5. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

8. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

9. No later than two (2) business days after the date of this order, the Debtors shall serve a copy of the Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 5, 2017
St. Louis, Missouri

Order Prepared by:

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Facsimile: (314) 612-2239
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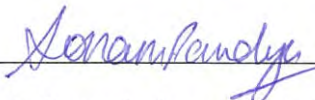
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Cristine F. Pirro (*pro hac vice* pending)
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TAB B

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

OF THE ORIGINAL DOCUMENT
Filed: 4/5/17

Total # Pages of Document
(With Attachments) : 77

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
By: [Signature]

In re:)
)
PAYLESS HOLDINGS LLC, *et al.*,)
)
Debtors.)

Case No. 17-42267-659)
Chapter 11)
Date of Certification: 4-6-17

Jointly Administered

Docket No.: 36



**INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO
OBTAIN POSTPETITION FINANCING, (II) AUTHORIZING
THE DEBTORS TO USE CASH COLLATERAL, (III) GRANTING
LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE
EXPENSE STATUS, (IV) GRANTING ADEQUATE PROTECTION
TO THE PREPETITION LENDERS, (V) MODIFYING THE AUTOMATIC STAY,
(VI) SCHEDULING A FINAL HEARING, AND (VII) GRANTING RELATED RELIEF**

Upon the motion, dated April 4, 2017 (the "DIP Motion") of Payless Inc. f/k/a Collective Brands, Inc. (the "Lead Borrower") on behalf of itself and its affiliated debtors and debtors-in-possession (collectively, the "Debtors") in the above-captioned Chapter 11 cases (collectively, the "Cases"), seeking entry of an order (this "Interim Order") and a Final Order (as defined herein) pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d), 364(e), 507 and 552 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), *inter alia*:

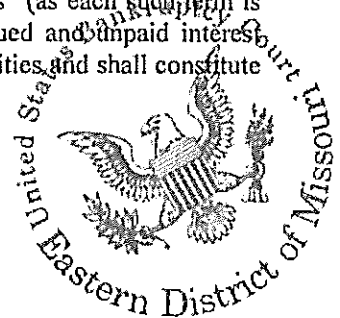
(i) authorizing the Debtors (other than Payless Holdings LLC, Payless Intermediate Holdings LLC, Collective Brands Logistics, Limited, and Dynamic Assets Limited who will not be parties thereto) to obtain \$305,000,000 senior secured postpetition financing on a superpriority basis (the "DIP ABL Credit Facilities," consisting of a senior secured superpriority

revolving credit facility in the aggregate principal amount of up to \$245,000,000 (and a senior secured superpriority first in last out revolving credit facility in the aggregate principal amount of up to 60,000,000 (the "Tranche A-1 Credit Facility") (the "DIP Tranche A Credit Facility") and the loans under the DIP ABL Credit Facilities, the "DIP ABL Loans") pursuant to the terms and conditions of that certain Debtor-in-Possession Credit Facility, (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "DIP ABL Agreement"), by and among the Lead Borrower, the other Borrowers¹ thereto from time to time, the Guarantors thereto from time to time (together, the "DIP ABL Loan Parties"), Wells Fargo Bank, National Association, as administrative agent and collateral agent (in such capacities, the "DIP ABL Agent"), for and on behalf of itself and the other lenders party thereto (collectively, including the DIP ABL Agent and the Tranche A-1 Agent, the "DIP ABL Lenders"), and TPG Specialty Lending, Inc., as agent for and on behalf of itself and the other Tranche A-1 Lenders (in such capacities herein, the "Tranche A-1 Agent") substantially in the form of Exhibit A, attached to the DIP Motion;²

(ii) authorizing the Debtors party thereto to execute and deliver the DIP ABL Agreement and any other agreements and documents related thereto (collectively with the DIP ABL Agreement, the "DIP ABL Documents") and to perform such other acts as may be necessary or desirable in connection with the DIP ABL Documents;

¹ Capitalized terms used but not defined herein have the meanings given to them in the DIP Motion, the DIP ABL Documents, or the DIP Term Loan Documents (as defined below), as applicable.

² Upon entry of the Final Order, all "Tranche A Loans" and "Tranche A-1 Loans" (as each such term is defined in the Prepetition Revolver Agreement referred to below) and all accrued and unpaid interest thereon and fees and expenses shall be fully-rolled into the DIP ABL Credit Facilities and shall constitute DIP ABL Obligations hereunder.



(iii) granting the DIP ABL Credit Facilities and all obligations owing thereunder and under the DIP ABL Documents to the DIP ABL Agent and DIP ABL Lenders (collectively, and including all “Obligations” as described in the DIP ABL Agreement, the “DIP ABL Obligations”) allowed superpriority administrative expense claim status in each of the Cases and any Successor Cases (as defined herein);

(iv) authorizing the Debtors (other than Payless Holdings LLC, Payless Intermediate Holdings LLC, Collective Brands Logistics, Limited, Dynamic Assets Limited, Payless ShoeSource of Puerto Rico, Inc., Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., and Payless ShoeSource Canada LP who will not be parties thereto) to obtain senior secured postpetition financing on a superpriority basis in the aggregate principal amount of up to \$80,000,000.00 (the “DIP Term Loan Facility,” and the loans thereunder, the “DIP Term Loans,” and the DIP Term Loan Facility together with the DIP ABL Credit Facilities, the “DIP Facilities”) pursuant to the terms and conditions of that certain Superpriority Secured Debtor-in-Possession Term Loan and Guarantee Agreement (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the “DIP Term Loan Agreement,” and together with the DIP ABL Agreement, the “DIP Agreements”), by and among the Lead Borrower, the other Borrowers thereto from time to time, the Guarantors party thereto from time to time (together, the “DIP Term Loan Parties”), the financial institutions party thereto from time to time as lenders (collectively, the “DIP Term Loan Lenders,” and, together with the DIP ABL Lenders, the “DIP Lenders”), and Cortland Products Corp. (“Cortland”), as administrative agent and collateral agent (in such capacity, the “DIP Term Loan Agent,” and, together with the DIP ABL Agent and Tranche A-1 Agent, collectively, the “DIP Agents”) for and on behalf of itself



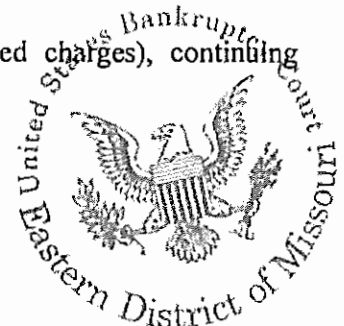
and the DIP Term Loan Lenders, substantially in the form of Exhibit B, attached to the DIP Motion;

(v) authorizing the Debtors party thereto to execute and deliver the DIP Term Loan Agreement and any other agreements and documents related thereto (collectively with the DIP Term Loan Agreement, the "DIP Term Loan Documents," and together with the DIP ABL Documents, the "DIP Documents"), by and among the Borrowers, the Guarantors party thereto from time to time, the DIP Term Loan Lenders and the DIP Term Loan Agent, and to perform such other acts as may be necessary or desirable in connection with the DIP Term Loan Documents;

(vi) granting the DIP Term Loan Facility and all obligations owing thereunder and under the DIP Term Loan Documents to the DIP Term Loan Agent and DIP Term Loan Lenders (collectively, and including all "Obligations" as described in the DIP Term Loan Agreement, the "DIP Term Loan Obligations," and together with the DIP ABL Obligations, the "DIP Obligations") allowed superpriority administrative expense claim status in each of the Cases and any Successor Cases (as defined herein);

(vii) granting to the DIP Agents, for the benefit of themselves and the DIP Lenders, automatically perfected security interests in and liens on all of the DIP ABL Collateral (as defined herein), or DIP Term Collateral (as defined herein), as applicable, including, without limitation, all property constituting "Cash Collateral" as defined in section 363(a) of the Bankruptcy Code, which liens shall be subject to the priorities set forth herein;

(viii) authorizing and directing the Debtors to pay the principal, interest, fees, expenses and other amounts payable under the DIP Documents as such become due, including, without limitation, letter of credit fees (including issuance and other related charges), continuing



commitment fees, closing fees, audit fees, appraisal fees, liquidator fees, structuring fees, administrative agent's fees, the reasonable fees and disbursements of the DIP Agents' and DIP Lenders' respective attorneys, advisors, accountants and other consultants, all to the extent provided in, and in accordance with, the applicable DIP Documents;

(ix) authorizing the Debtors to use the Prepetition Collateral, including the Cash Collateral (each as defined below) of the Prepetition Revolver Parties under the Prepetition Revolver Documents and the Prepetition Term Loan Parties under the Prepetition Term Loan Documents (each as defined herein), and providing adequate protection to the Prepetition Revolver Parties and Prepetition Term Loan Parties for any Diminution in Value (as defined below) of their respective interests in the Prepetition Collateral, including the Cash Collateral;

(x) vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the DIP Documents and this Interim Order; and

(xi) scheduling a final hearing (the "Final Hearing") to consider the relief requested in the DIP Motion and approving the form of notice with respect to the Final Hearing.

The Court having considered the DIP Motion, the exhibits attached thereto, the *Declaration of Morgan Suckow in Support of the Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Lenders, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* (the "Suckow Declaration") the DIP Documents, the First Day Declaration, and the evidence submitted and argument made at the interim hearing (the "Interim Hearing"); and notice of the



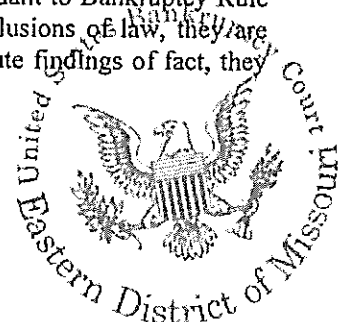
Interim Hearing having been given in accordance with Bankruptcy Rules 2002, 4001(b), (c) and (d), and all applicable Local Rules; and the Interim Hearing having been held and concluded; and all objections, if any, to the interim relief requested in the DIP Motion having been withdrawn, resolved or overruled by the Court; and it appearing that approval of the interim relief requested in the DIP Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates pending the Final Hearing, and otherwise is fair and reasonable and in the best interests of the Debtors, their estates and all parties-in-interest, and is essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors' assets; and it appearing that the Debtors' entry into the DIP Agreements is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and good and sufficient cause appearing therefor;

**BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING,
THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS
OF LAW:³**

A. **Petition Date.** On April 4, 2017 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Eastern District of Missouri (the "Court").

B. **Debtors in Possession.** The Debtors have continued in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

³ The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.



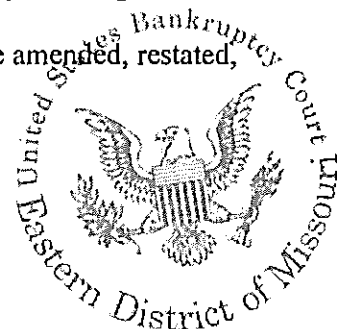
C. **Jurisdiction and Venue.** This Court has jurisdiction over the Cases, the DIP Motion and the parties and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2). This Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Cases and proceedings on the DIP Motion is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

D. **Committee Formation.** As of the date hereof, the United States Trustee for the Eastern District of Missouri (the "U.S. Trustee") has not yet appointed an official committee of unsecured creditors in these Cases pursuant to section 1102 of the Bankruptcy Code (a "Creditors' Committee").

E. **Notice.** Proper, timely, adequate, and sufficient notice of the Motion has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and no other or further notice of the Motion with respect to the relief requested at the Interim Hearing or the entry of this Interim Order shall be required.

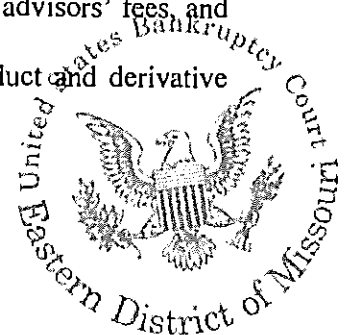
F. **Debtors' Stipulations.** After consultation with their attorneys and financial advisors, and without prejudice to the rights of parties-in-interest as set forth in paragraph 42 herein, the Debtors, on their behalf and on behalf of their estates, admit, stipulate, acknowledge, and agree as follows (paragraphs F(i) through F(x) below are referred to herein, collectively, as the "Debtors' Stipulations"):

(i) *Prepetition Revolver Facility.* Pursuant to that certain Credit Agreement dated as of October 9, 2012 (as amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition Revolver Agreement," and collectively with any other agreements and documents executed or delivered in connection therewith, each as may be amended, restated,



supplemented, or otherwise modified from time to time, the “Prepetition Revolver Documents”), among (a) the Lead Borrower, (b) the Borrowers, (c) certain of the Guarantors (collectively with the Lead Borrower and the Borrowers the “Prepetition Revolver Loan Parties”), (d) Wells Fargo Bank, National Association, as administrative agent and collateral agent (in such capacities, the “Prepetition Revolver Agent” and (e) the lenders party thereto (the “Prepetition Revolver Lenders,” and collectively with the Prepetition Revolver Agent, the “Prepetition Revolver Parties”), the Prepetition Revolver Lenders provided revolving credit and other financial accommodations to, and issued letters of credit for the account of, the Borrowers pursuant to the Prepetition Revolver Documents (the “Prepetition Revolver Facility”).

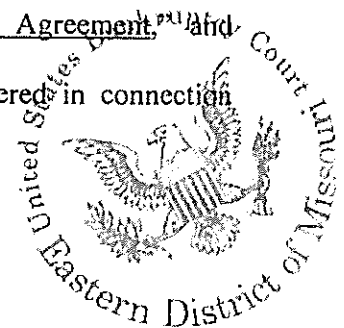
(ii) *Prepetition Revolver Obligations.* The Prepetition Revolver Facility provided the Borrower with, among other things, (x) \$245,000,000 in aggregate Tranche A Commitments, including letters of credit and swingline loan commitments and (y) \$50,000,000 in aggregate Tranche A-1 Commitments. As of the Petition Date, the aggregate principal amount of “Tranche A Loans” and a “Tranche A-1 Loans” outstanding under the Prepetition Revolver Facility was not less than \$186,431,792.97, including: (a) not less than \$131,431,792.97 with respect to “Tranche A Loans”, and (b) not less than \$55,000,000 with respect to “Tranche A-1 Loans”, and the aggregate undrawn amount of all outstanding “Letters of Credit” under the Prepetition Revolver Facility were not less than \$30,489,946.75 (each as defined in the Prepetition Revolver Agreement) (collectively, together with accrued and unpaid interest, and outstanding letters of credit, any reimbursement obligations (contingent or otherwise) in respect of letters of credit, any fees, expenses and disbursements (including, without limitation, attorneys’ fees, accountants’ fees, auditor fees, appraisers’ fees and financial advisors’ fees, and related expenses and disbursements), treasury, cash management, bank product and derivative



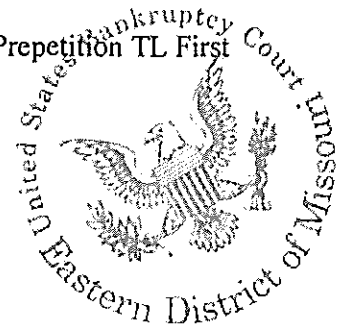
obligations, indemnification obligations, guarantee obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the Borrower's and certain of the Guarantors' obligations pursuant to the Prepetition Revolver Documents, including all "Obligations" as defined in the Prepetition Revolver Agreement, the "Prepetition Revolver Obligations").

(iii) *Prepetition Revolver Liens and Prepetition ABL Priority Collateral.* As more fully set forth in the Prepetition Revolver Documents, prior to the Petition Date, the Borrowers and certain of the Guarantors granted to the Prepetition Revolver Agent, for the benefit of itself and the Prepetition Revolver Parties, a security interest in and continuing lien on (the "Prepetition Revolver Liens") substantially all of their assets and property, including, without limitation, (a) a first priority security interest in and continuing lien on the ABL Priority Collateral (as defined in that certain Intercreditor Agreement referred to below) (which, for the avoidance of doubt, includes Cash Collateral) and all proceeds, products, accessions, rents, and profits thereof, in each case whether then owned or existing or thereafter acquired or arising (collectively, the "Prepetition ABL Priority Collateral"), and (b) a third priority security interest in and continuing lien on the Term Priority Collateral (as defined in that certain Intercreditor Agreement referred to below) and proceeds and products of any of the foregoing (collectively, the "Prepetition Term Priority Collateral," and together with the Prepetition ABL Priority Collateral, the "Prepetition Collateral").

(iv) *Prepetition Term Loan Facilities.* Pursuant to (A) that certain First Lien Term Loan and Guarantee Agreement dated as of March 11, 2014 (as amended, restated or otherwise modified from time to time, the "Prepetition TL First Lien Agreement,"²¹) and collectively with any other agreements and documents executed or delivered in connection



therewith, each as may be amended, restated, supplemented, or otherwise modified from time to time, the “Prepetition TL First Lien Documents,”) among (a) WBG – PSS Holdings LLC (“Holdings”), (b) the Lead Borrower, (c) the other Borrowers party thereto, (d) the subsidiary guarantors from time to time party thereto, (e) Cortland, as administrative agent and collateral agent (as successor to Morgan Stanley Senior Funding, Inc. in such capacities, the “Prepetition TL First Lien Agent”) and (f) the lenders party thereto (the “Prepetition TL First Lien Lenders,” and together with the Prepetition TL First Lien Agent, the “Prepetition TL First Lien Parties”) and (B) that certain Second Lien Credit Agreement dated as of March 11, 2014 (as amended, restated or otherwise modified from time to time, the “Prepetition TL Second Lien Agreement,” (the Prepetition TL Second Lien Agreement and the Prepetition TL First Lien Agreement shall collectively be referred to as the “Prepetition Term Loan Agreements”) and collectively with any other agreements and documents executed or delivered in connection therewith, each as may be amended, restated, supplemented, or otherwise modified from time to time, the “Prepetition TL Second Lien Documents,” and together with the Prepetition TL First Lien Documents, the “Prepetition Term Loan Documents” (the Prepetition Term Loan Documents, together with the Prepetition Revolver Documents, the “Prepetition Documents”) among (a) Holdings, (b) the Lead Borrower, (c) the other Borrowers party thereto (as such term is defined therein), (d) the subsidiary guarantors from time to time party thereto, (e) Morgan Stanley Senior Funding, Inc., as agent (the “Prepetition TL Second Lien Agent”, together with the Prepetition TL First Lien Agent, the “Prepetition Term Loan Agents” and the Prepetition Term Loan Agents collectively with the Prepetition Revolver Agent, the “Prepetition Agents”) and (f) the lenders party thereto (the “Prepetition TL Second Lien Lenders,” and collectively with the Prepetition TL Second Lien Agent, the “Prepetition TL Second Lien Parties”, and together with the Prepetition TL First



Lien Lenders, the "Prepetition Term Loan Lenders,") (the Prepetition Term Loan Lenders, collectively with the Prepetition Term Loan Agent, the "Prepetition Term Loan Parties," and the Prepetition Term Loan Parties together with the Prepetition Revolver Parties, the "Prepetition Secured Parties"), the Prepetition TL First Lien Lenders provided first lien term loans to the Borrowers (the "Prepetition First Lien Term Loan Facility" and the Prepetition TL Second Lien Lenders provided second lien term loans to the Borrowers (the "Prepetition Second Lien Term Loan Facilities," and together with the Prepetition First Lien Term Loan Facilities, the "Prepetition Term Loan Facilities," and together with the Prepetition Revolver Facility, the "Prepetition Secured Facilities").

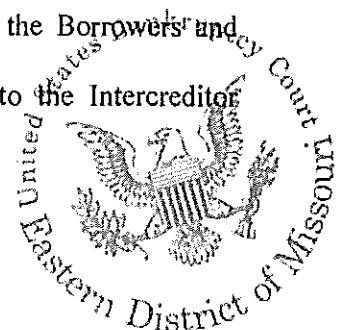
(v) *Prepetition Term Loan Obligations.* The Prepetition Term Loan Facility provided the Borrowers with commitments to provide term loans in the aggregate principal amount of up to (x) \$520,000,000 from the Prepetition TL First Lien Lenders and (y) \$145,000,000 from the Prepetition TL Second Lien Lenders. As of the Petition Date, the aggregate principal amount outstanding under the Prepetition TL First Lien Agreement Facility was \$505,700,000 and the aggregate principal amount outstanding under the Prepetition TL Second Lien Agreement was \$145,000,000 (in each case, collectively, together with accrued and unpaid interest, any fees, expenses and disbursements (including, without limitation, attorneys' fees, accountants' fees, appraisers' fees and financial advisors' fees, and related expenses and disbursements), indemnification obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the Borrowers' and certain of the Guarantors' obligations pursuant to the Prepetition Term Loan Documents, including all "Obligations" as defined in the



Prepetition Term Loan Agreements, the “Prepetition Term Loan Obligations,” and together with the Prepetition Revolver Obligations, the “Prepetition Secured Obligations”).

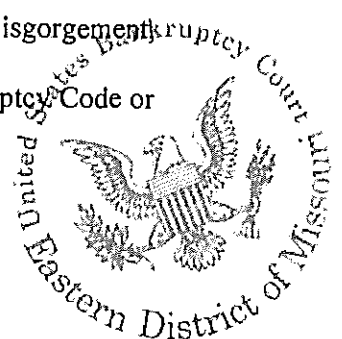
(vi) *Prepetition Term Loan Liens and Prepetition Term Loan Primary Collateral.* As more fully set forth in the Prepetition Term Loan Documents, prior to the Petition Date, the Borrowers and the Guarantors (as defined therein) (collectively, the “Prepetition Term Loan Credit Parties”) granted to the Prepetition TL First Lien Agent, for the benefit of itself and the Prepetition TL First Lien Lenders and granted to the TL Second Lien Agent for the benefit of itself and the Prepetition TL Second Lien Lenders, security interests in and continuing liens on (the “Prepetition Term Loan Liens,” and together with the Prepetition Revolver Liens, the “Prepetition Liens”) substantially all of their assets and property, including, without limitation, (a) first and second priority security interests in and continuing liens on the Prepetition Term Priority Collateral (subject to the priorities among the Prepetition Term Loan Lenders as set forth in the Prepetition Term Loan Documents, including that certain Term Loan Intercreditor Agreement (as defined herein)), and (b) second and third priority security interests in and continuing liens on the Prepetition ABL Priority Collateral.

(vii) *Priority of Prepetition Liens; Intercreditor Agreements.* The Prepetition Revolver Agent, the Prepetition TL First Lien Agent, the Prepetition TL Second Lien Agent and others entered into that certain Intercreditor Agreement dated as of March 11, 2014 as may be further amended, restated, supplemented, or otherwise modified in accordance with its terms, the “Intercreditor Agreement”) to govern the respective rights, interests, obligations, priority, and positions of the Prepetition Revolver Parties and the Prepetition Term Loan Parties with respect to the assets and properties of the Debtors and other obligors. Each of the Borrowers and Guarantors under the Prepetition Documents acknowledged and agreed to the Intercreditor



Agreement. The Prepetition TL First Lien Agent, the Prepetition TL Second Lien Agent, Holdings, the Lead Borrower and others entered into that certain Intercreditor Agreement dated as of March 11, 2014 (as amended, restated, supplemented, or otherwise modified in accordance with its terms, the "Term Loan Intercreditor Agreement") and, together with the Intercreditor Agreement, the "Intercreditor Agreements").

(viii) *Validity, Perfection and Priority of Prepetition Revolver Liens and Prepetition Revolver Obligations.* The Debtors acknowledge and agree that as of the Petition Date: (a) the Prepetition Revolver Liens on the Prepetition Collateral were valid, binding, enforceable, non-avoidable and properly perfected and were granted to, or for the benefit of, the Prepetition Revolver Parties for fair consideration and reasonably equivalent value; (b) the Prepetition Revolver Liens were senior in priority over any and all other liens on the Prepetition Collateral, subject only to (1) the Prepetition Term Loan Liens on the Prepetition Term Loan Priority Collateral, and (2) certain liens otherwise permitted by the Prepetition Revolver Documents (solely to the extent any such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the Prepetition Revolver Liens as of the Petition Date, the "Prepetition Revolver Permitted Prior Liens"); (c) the Prepetition Revolver Obligations constitute legal, valid, binding, and non-avoidable obligations of the Prepetition Revolver Loan Parties enforceable in accordance with the terms of the applicable Prepetition Revolver Documents; (d) no offsets, challenges, objections, defenses, claims or counterclaims of any kind or nature to any of the Prepetition Revolver Liens or Prepetition Revolver Obligations exist, and no portion of the Prepetition Revolver Liens or Prepetition Revolver Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, or subordination (equitable or otherwise) pursuant to the Bankruptcy Code or



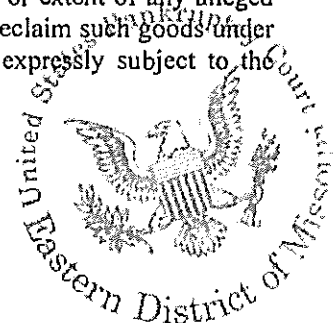
applicable non- bankruptcy law; (e) the Debtors and their estates have no claims, objections, challenges, causes of action, and/or choses in action, including without limitation, avoidance claims under Chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions for recovery or disgorgement, against any of the Prepetition Revolver Parties or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors and employees arising out of, based upon or related to the Prepetition Revolver Facility; (f) the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Revolver Obligations, the priority of the Prepetition Revolver Loan Parties obligations thereunder, and the validity, extent, and priority of the liens securing the Prepetition Revolver Obligations; and (g) the Prepetition Revolver Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code.

(ix) *Validity, Perfection and Priority of Prepetition Term Loan Liens and Prepetition Term Loan Obligations.* The Debtors further acknowledge and agree that, as of the Petition Date: (a) the Prepetition Term Loan Liens were senior in priority over any and all other liens on the Prepetition Collateral, subject only to (1) the Prepetition Revolver Liens on the Prepetition ABL Priority Collateral and (2) certain liens otherwise permitted by the Prepetition Term Loan Documents (solely to the extent any such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the Prepetition Term Loan Liens as of the Petition Date, the “Prepetition Term Loan Permitted Prior Liens,” and together with the



Prepetition Revolver Permitted Prior Liens, the "Permitted Prior Liens");⁴ (b) the Prepetition Term Loan Liens on the Prepetition Collateral were valid, binding, enforceable, non-avoidable and properly perfected and were granted to, or for the benefit of, the Prepetition Term Loan Parties for fair consideration and reasonably equivalent value; (c) the Prepetition Term Loan Obligations constitute legal, valid, binding, and non-avoidable obligations of the Prepetition Term Loan Credit Parties enforceable in accordance with the terms of the applicable Prepetition Term Loan Documents; (d) no offsets, challenges, objections, defenses, claims or counterclaims of any kind or nature to any of the Prepetition Term Loan Liens or Prepetition Term Loan Obligations exist, and no portion of the Prepetition Term Loan Liens or Prepetition Term Loan Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, or subordination (equitable or otherwise) pursuant to the Bankruptcy Code or applicable non-bankruptcy law; (e) the Debtors and their estates have no claims, objections, challenges, causes of action, and/or choses in action, including without limitation, avoidance claims under Chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions for recovery or disgorgement, against any of the Prepetition Term Loan Parties, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors and employees arising out of, based upon or related to the Prepetition Term Loan Facilities; (f) the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Term Loan Obligations, the priority of the Debtors'

⁴ Nothing herein shall constitute a finding or ruling by this Court that any such Permitted Prior Lien is valid, senior, enforceable, prior, perfected or non-avoidable. Moreover, nothing shall prejudice the rights of any party-in-interest, including, but not limited to the Debtors, the DIP Agents, the Prepetition Revolver Parties, the Prepetition Term Loan Parties, or a Creditors' Committee (if appointed), to challenge the validity, priority, enforceability, seniority, avoidability, perfection or extent of any alleged Permitted Prior Lien and/or security interests. The right of a seller of goods to reclaim such goods under section 546(c) of the Bankruptcy Code is not a Permitted Prior Lien and is expressly subject to the Prepetition Liens and DIP Liens.

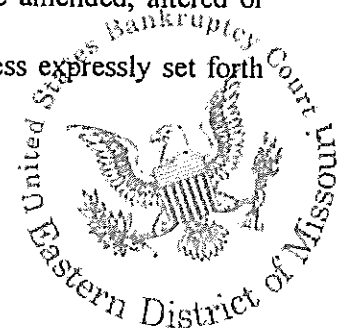


obligations thereunder, and the validity, extent, and priority of the liens securing the Prepetition Term Loan Obligations; and (g) the Prepetition Term Loan Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code.

(x) *Default by the Debtors.* The Debtors acknowledge and stipulate that the Prepetition Revolver Loan Parties are in default of their obligations under the Prepetition Revolver Documents and Prepetition Term Loan Credit Parties are in default of their obligations under the Prepetition Term Loan Documents.

G. **Cash Collateral.** All of the Prepetition Revolver Loan Parties' and Prepetition Term Loan Credit Parties' cash, including any cash in deposit accounts, wherever located, constitutes Cash Collateral of the Prepetition Revolver Parties and Prepetition Term Loan Parties.

H. **Intercreditor Agreements.** Pursuant to section 510 of the Bankruptcy Code, except as expressly provided by the terms of this Interim Order, the Intercreditor Agreements and any other intercreditor agreement or subordination agreement between and/or among any Prepetition Revolver Party, any Prepetition Term Loan Party, any Debtor or affiliate thereof, and any other applicable intercreditor or subordination provisions contained in any of the Prepetition Documents (i) shall remain in full force and effect, (ii) shall continue to govern the relative priorities, rights and remedies of the Prepetition Revolver Parties and the Prepetition Term Loan Parties (including the relative priorities, rights and remedies of such parties with respect to the replacement liens and administrative expense claims and superpriority administrative expense claims granted, or amounts payable, by the Debtors under this Interim Order or otherwise and the modification of the automatic stay), and (iii) shall not be deemed to be amended, altered or modified by the terms of this Interim Order or the DIP Documents, unless expressly set forth

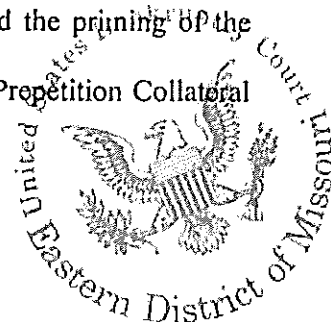


herein. The DIP ABL Credit Facilities are an ABL Credit Agreement as that term is used in the Intercreditor Agreement, and any repayment of the Prepetition Revolver Obligations pursuant to this Interim Order shall not be deemed to constitute a “Discharge of the ABL Obligations” as such term is defined in the Intercreditor Agreement. The DIP Term Loan Facility is a First Lien Term Credit Agreement as that term is used in the Intercreditor Agreement, and any repayment of the Prepetition Term Loan Obligations pursuant to this Interim Order shall not be deemed to constitute a “discharge” of Prepetition Term Loan Obligations.

I. **Findings Regarding Postpetition Financing**

(i) *Request for Postpetition Financing.* The Debtors seek authority to (a) enter into the DIP Facilities on the terms described herein and in the DIP Documents, and (b) use Cash Collateral on the terms described herein to administer their Cases and fund their operations. At the Final Hearing, the Debtors will seek final approval of the proposed postpetition financing and use of Cash Collateral arrangements pursuant to a proposed final order (the “Final Order”), which shall be in form and substance acceptable to each of the DIP Agents, DIP Term Lenders holding in excess of fifty percent (50%) of the outstanding loans and commitments under the DIP Term Loan Facility (the “Required DIP Term Lenders”), and the requisite DIP ABL Lenders pursuant to the terms and conditions of the DIP ABL Agreement (the “Required DIP ABL Lenders” together with the Required DIP Term Lenders, collectively, the “Required DIP Lenders”). Notice of the Final Hearing and Final Order will be provided in accordance with this Interim Order.

(ii) *Priming of the Prepetition Liens.* The priming of the Prepetition Revolver Liens of the Prepetition Revolver Parties on the Prepetition Collateral and the priming of the Prepetition Term Loan Liens of the Prepetition Term Loan Parties on the Prepetition Collateral



under section 364(d) of the Bankruptcy Code, as contemplated by the DIP Facilities and as further described below, will enable the Debtors to obtain the DIP Facilities and to continue to operate their businesses to the benefit of their estates and creditors. The Prepetition Revolver Parties and the Prepetition Term Loan Parties are each entitled to receive adequate protection as set forth in this Interim Order pursuant to sections 361, 363, and 364 of the Bankruptcy Code, for any diminution in value ("Diminution in Value") of each of their respective interests in the Prepetition Collateral (including Cash Collateral).

(iii) *Need for Postpetition Financing and Use of Cash Collateral.* The Debtors have an immediate and critical need to use Cash Collateral on an interim basis and to obtain credit on an interim basis pursuant to the DIP Facilities in order to, among other things, enable the orderly continuation of their operations and to administer and preserve the value of their estates. The ability of the Debtors to maintain business relationships with their vendors, suppliers and customers, to pay their employees and otherwise finance their operations requires the availability of working capital from the DIP Facilities and the use of Cash Collateral, the absence of either of which would immediately and irreparably harm the Debtors, their estates, and parties-in-interest. The Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP Facilities and authorized use of Cash Collateral and the DIP ABL Lenders are unwilling to make the DIP ABL Credit Facility available to the Debtors unless the Canadian Loan Parties (as defined in the DIP ABL Agreement) provide a secured guarantee of all amounts made available in respect of such DIP ABL Credit Facilities..

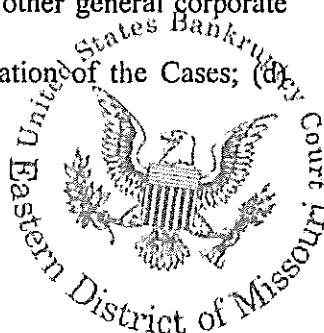
(iv) *No Credit Available on More Favorable Terms.* The DIP Facilities are the best source of debtor in possession financing available to the Debtors. Given their current



financial condition, financing arrangements, and capital structure, the Debtors have been and continue to be unable to obtain financing from sources other than the DIP Lenders on terms more favorable than the DIP Facilities. The Debtors are unable to obtain unsecured credit allowable under Bankruptcy Code section 503(b)(1) as an administrative expense. The Debtors have also been unable to obtain: (a) unsecured credit having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a) and 507(b) of the Bankruptcy Code; (b) credit secured solely by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) credit secured solely by a junior lien on property of the Debtors and their estates that is subject to a lien. Financing on a postpetition basis is not otherwise available without granting the DIP Agents, for the benefit of themselves and the DIP Lenders: (1) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities set forth in paragraph 6 hereof, (2) superpriority claims and liens, and (3) the other protections set forth in this Interim Order.

(v) *Use of proceeds of the DIP Facilities.* As a condition to entry into the DIP Documents, the extension of credit under the DIP Facilities and the authorization to use Cash Collateral, the DIP Agents, the DIP Lenders, and the Prepetition Secured Parties require, and the Debtors have agreed, that proceeds of the DIP Facilities shall be used, in each case in a manner consistent with the terms and conditions of this Interim Order and the DIP Documents and in accordance with the budget (as the same may be modified from time to time consistent with the terms of the DIP Documents and subject to such variances as permitted in the DIP Agreements, the "Budget"),⁵ solely for: (a) working capital and letters of credit; (b) other general corporate purposes of the Debtors; (c) permitted payment of costs of administration of the Cases; (d)

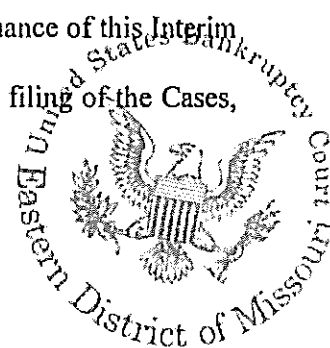
⁵ A copy of the initial Budget is attached hereto as Exhibit 1.



payment of such prepetition expenses as consented to by the DIP Agents and the Required DIP Lenders, each in its sole discretion, and as approved by the Court; (e) payment of interest, fees and expenses (including without limitation, legal and other professionals' fees and expenses of the DIP Agents) owed under the DIP Documents; (f) payment of certain adequate protection amounts to the Prepetition Revolver Parties and the Prepetition Term Loan Parties, as set forth in paragraph 16 hereof; (g) the reduction of the Prepetition Revolver Obligations and payment in full of the Prepetition Revolver Obligations upon entry of a Final Order, subject to the rights preserved in paragraph 42 of this Interim Order; and (h) payment of the Carve Out shall be in accordance with paragraph 39 of this Interim Order. The reduction of the Prepetition Revolver Obligations from the net proceeds of DIP ABL Collateral in accordance with this Interim Order is necessary as the Prepetition Revolver Parties have not otherwise consented to the use of their Cash Collateral or the subordination of their liens to the DIP Liens, and the DIP ABL Agent and the DIP ABL Lenders will not otherwise consent to providing the DIP ABL Credit Facilities and extending credit to the Debtors thereunder.

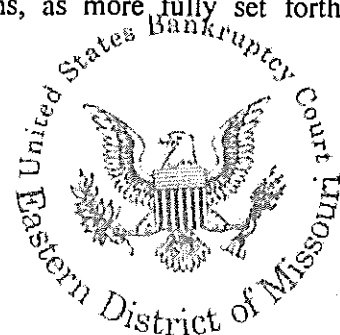
(vi) *Application of Proceeds of Collateral.* As a condition to entry into the DIP Agreements, the extension of credit under the DIP Facilities and authorization to use Cash Collateral, the Debtors, the DIP Agents, the DIP Lenders, the Prepetition Revolver Agent, the Prepetition Revolver Lenders, the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders have agreed that, as of and commencing on the date of the Interim Hearing, the Debtors shall apply the proceeds of DIP Collateral in accordance with this Interim Order and the Intercreditor Agreements.

(vii) *Canadian Recognition Proceeding.* Following the issuance of this Interim Order and certain related interim orders being sought in connection with the filing of the Cases,



Payless Holdings LLC as the foreign representative of the Debtors intends to commence recognition proceedings in Canada under Part IV of the Companies' Creditors Arrangement Act (Canada), R.S.C. 1985, c C-36, as amended (the "Canadian Case") in the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court").

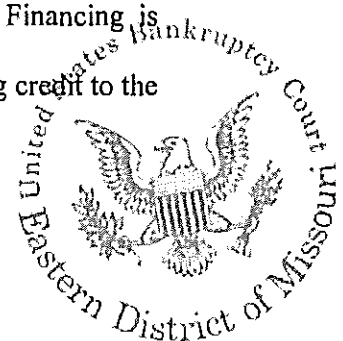
J. **Adequate Protection.** The Prepetition Revolver Agent, for the benefit of itself and the Prepetition Revolver Parties, and the Prepetition Term Loan Agents, for the benefit of themselves and the Prepetition Term Loan Parties, are each entitled to receive adequate protection to the extent of any Diminution in Value of their respective interests in the Prepetition Collateral. Pursuant to sections 361, 363 and 507(b) of the Bankruptcy Code, as adequate protection: (i) the Prepetition Revolver Parties will receive (a) adequate protection liens and superpriority claims, as more fully set forth in paragraphs 11-14 herein, (b) current payment of interest at the default rate, fees and expenses (including without limitation, legal and other professionals' fees and expenses of the Prepetition Revolver Agent, Tranche A-1 Agent and Prepetition Revolver Lenders, whether arising before or after the Petition Date), and (c) payments in the amount of principal due under the Prepetition Revolver Agreement, consistent with paragraph 15, herein; (ii) the Prepetition TL First Lien Parties will receive (a) adequate protection liens and superpriority claims, as more fully set forth in paragraphs 11-14 herein, and (b) current payment of expenses (including without limitation, legal and other professionals' fees and expenses of the Prepetition TL First Lien Agent and the Prepetition TL First Lien Lenders whether arising before or after the Petition Date); and (iii) Prepetition TL Second Lien Parties will receive adequate protection liens and superpriority claims, as more fully set forth in paragraphs 11-14 herein.



K. **Sections 506(c) and 552(b).** In light of (i) the DIP Agents' and DIP Lenders' agreement that their liens and superpriority claims shall be subject to the Carve Out; (ii) the Prepetition Revolver Parties' agreement that their liens shall be subject to the Carve Out and subordinate to the DIP ABL Liens and, in the case of the Prepetition Term Priority Collateral, subordinate to the DIP Term Loan Liens; and (iii) the Prepetition Term Loan Parties' agreement that their liens shall be subject to the Carve Out and subordinate to the DIP Term Loan Liens and, in the case of the ABL Priority Collateral, subordinate to the DIP ABL Liens, (a) subject to entry of a Final Order, the Prepetition Revolver Parties and Prepetition Term Loan Parties are each entitled to a waiver of any "equities of the case" exception under section 552(b) of the Bankruptcy Code, and (b) subject to entry of a Final Order, the DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties are each entitled to a waiver of the provisions of section 506(c) of the Bankruptcy Code.

L. **Good Faith of the DIP Agents and DIP Lenders.**

(i) *Willingness to Provide Financing.* The DIP Lenders have indicated a willingness to provide financing to the Debtors subject to: (a) entry of this Interim Order and the Final Order; (b) approval of the terms and conditions of the DIP Facilities and the DIP Documents; (c) satisfaction of the closing conditions set forth in the DIP Documents; (d) entry of an initial recognition order and a related supplemental order by the Canadian Court, in a form satisfactory to the DIP ABL Agent, commencing the Canadian Case and recognizing the Cases as foreign main proceedings and providing for a super-priority charge over the property of the Canadian Loan Parties to secure all obligations under the DIP ABL Facilities as set forth herein and in the DIP ABL Documents, and (d) findings by this Court that the DIP Financing is essential to the Debtors' estates, that the DIP Agents and DIP Lenders are extending credit to the

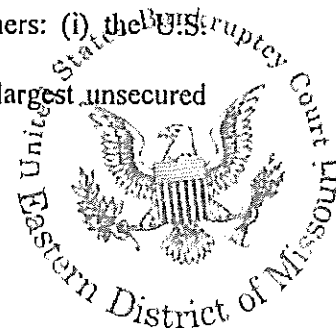


Debtors pursuant to the DIP Documents in good faith, and that the DIP Agents' and DIP Lenders' claims, superpriority claims, security interests and liens and other protections granted pursuant to this Interim Order and the DIP Documents will have the protections provided by section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e)*. The terms and conditions of the DIP Facilities and the DIP Documents, and the fees paid and to be paid thereunder, are fair, reasonable, and the best available to the Debtors under the circumstances, are ordinary and appropriate for secured financing to debtors in possession, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration. The terms and conditions of the DIP Facilities and the use of Cash Collateral were negotiated in good faith and at arms' length among the Debtors, DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties, with the assistance and counsel of their respective advisors. Use of Cash Collateral and credit to be extended under the DIP Facilities shall be deemed to have been allowed, advanced, made, or extended in good faith by the DIP Agents, DIP Lenders, Prepetition Revolver Parties, and Prepetition Term Loan Parties within the meaning of section 364(e) of the Bankruptcy Code.

M. **Immediate Entry**. Sufficient cause exists for immediate entry of this Order pursuant to Bankruptcy Rule 4001(c)(2).

N. **Interim Hearing**. Notice of the Interim Hearing and the relief requested in the DIP Motion has been provided by the Debtors, whether by facsimile, electronic mail, overnight courier or hand delivery, to certain parties-in-interest, including, among others: (i) the U.S. Trustee, (ii) those entities or individuals included on the Debtors' list of 50 largest unsecured



creditors on a consolidated basis, (iii) counsel to the Prepetition Revolver Agent, (iv) counsel to the Tranche A-1 Agent, (v) counsel to the Prepetition Term Loan Agents; (vi) counsel to certain of the Prepetition TL First Lien Lenders (the "Prepetition TL First Lien Ad Hoc Group"); and (vii) all other parties entitled to notice under the Local Rules. The Debtors have made reasonable efforts to afford the best notice possible under the circumstances and no other notice is required in connection with the relief set forth in this Interim Order.

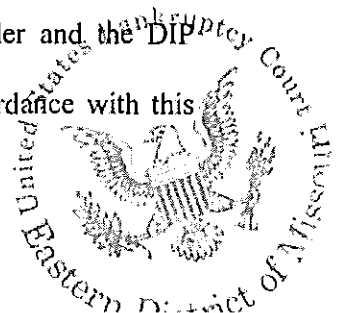
Based upon the foregoing findings and conclusions, the DIP Motion and the record before the Court with respect to the DIP Motion, and after due consideration and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Interim Financing Approved. The DIP Motion is granted, the Interim Financing (as defined herein) is authorized and approved, and the use of Cash Collateral on an interim basis is authorized, in each case, subject to the terms and conditions set forth in this Interim Order. All objections to this Interim Order to the extent not withdrawn, waived, settled or resolved are hereby denied and overruled.

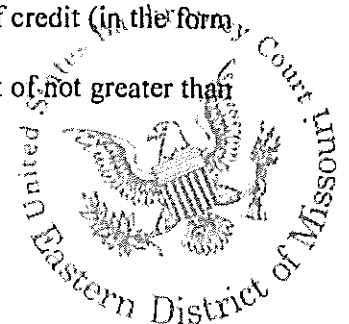
DIP Facilities Authorization

2. Authorization of the DIP Financing. The Interim Financing is hereby approved. The Debtors are expressly and immediately authorized and empowered to execute and deliver the DIP Documents, and to incur and to perform the DIP Obligations in accordance with, and subject to, the terms of this Interim Order and the DIP Documents, and to deliver all instruments, certificates, agreements, and documents which may be required or necessary for the performance by the Debtors under the DIP Facilities and the creation and perfection of the DIP Liens (as defined herein) described in and provided for by this Interim Order and the DIP Documents. The Debtors are hereby authorized and directed to pay, in accordance with this



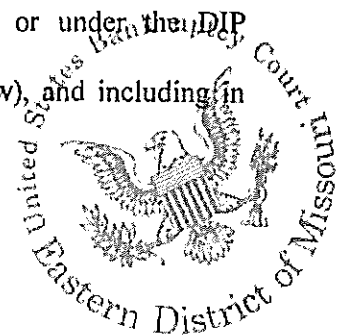
Interim Order, the principal, interest, fees, expenses and other amounts described in the DIP Documents and all other documents comprising the DIP Facilities as such become due and without need to obtain further Court approval, including, without limitation, closing fees, letter of credit fees (including issuance, fronting, and other related charges), unused facility fees, continuing commitment fees, backstop fees, exit fees, servicing fees, Yield Maintenance Premium (as defined in the Prepetition Revolver Documents), audit fees, appraisal fees, liquidator fees, structuring fees, administrative agent's fees, the reasonable fees and disbursements of the DIP Agents' attorneys, advisors, accountants, and other consultants, whether or not such fees arose before or after the Petition Date, and whether or not the transactions contemplated hereby are consummated, to implement all applicable reserves and to take any other actions that may be necessary or appropriate, all to the extent provided in this Interim Order or the DIP Documents. All collections and proceeds, whether from ordinary course collections, asset sales, debt or equity issuances, insurance recoveries, condemnations or otherwise, will be deposited and applied as required by this Interim Order and the DIP Documents. Upon execution and delivery, the DIP Documents shall represent valid and binding obligations of the Debtors, enforceable against each of the Debtors and their estates in accordance with their terms.

3. Authorization to Borrow. In order to prevent immediate and irreparable harm to the Debtors' estates, from the entry of this Interim Order through and including the earliest to occur of (i) entry of the Final Order or (ii) the Termination Declaration, and subject to the terms, conditions, limitations on availability and reserves set forth in the DIP Documents and this Interim Order, the Debtors are hereby authorized to request extensions of credit (in the form of loans and letters of credit) up to an aggregate outstanding principal amount of not greater than



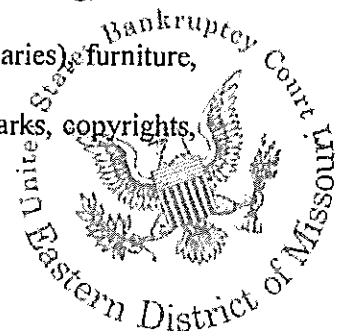
\$245,000,000 at any one time outstanding under the DIP ABL Credit Facilities (the “Interim Financing”).

4. DIP Obligations. The DIP Documents and this Interim Order shall constitute and evidence the validity and binding effect of the Debtors’ DIP Obligations, which DIP Obligations shall be enforceable against the Debtors, their estates and any successors thereto, including without limitation, any trustee appointed in the Cases, or in any case under Chapter 7 of the Bankruptcy Code upon the conversion of any of the Cases, or in any other proceedings superseding or related to any of the foregoing (collectively, the “Successor Cases”). Upon entry of this Interim Order, the DIP Obligations will include all loans, letter of credit reimbursement obligations, and any other indebtedness or obligations, contingent or absolute, which may now or from time to time be owing by any of the Debtors to the DIP Agents or any of the DIP Lenders, under the DIP Documents or this Interim Order, including, without limitation, all principal, accrued interest, costs, fees, expenses and other amounts under the DIP Documents. Upon entry of this Interim Order, all (i) Bank Products, (ii) Cash Management Services, and (iii) Letters of Credit (each as defined in the Prepetition Revolver Agreement) shall continue in place and all obligations under or in connection therewith shall be subject to the DIP ABL Agreement and shall constitute DIP ABL Obligations. The DIP ABL Loan Parties shall be jointly and severally liable for the DIP ABL Obligations. The DIP Term Loan Parties shall be jointly and severally liable for the DIP Term Obligations. The DIP Obligations shall be due and payable, without notice or demand, and the use of Cash Collateral shall automatically cease on the DIP Termination Date (as defined herein), except as provided in paragraph 30 herein. No obligation, payment, transfer, or grant of collateral security hereunder or under the DIP Documents (including any DIP Obligation or DIP Liens (as defined below), and including in



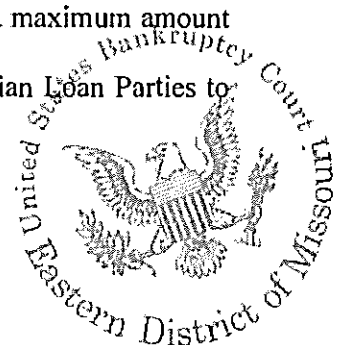
connection with any adequate protection provided to the Prepetition Secured Parties hereunder) shall be stayed, restrained, voidable, avoidable, or recoverable, under the Bankruptcy Code or under any applicable law (including, without limitation, under sections 502(d), 544, and 547 to 550 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law), or subject to any avoidance, reduction, setoff, recoupment, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, or any other challenge under the Bankruptcy Code or any applicable law or regulation by any person or entity.

5. DIP Liens. In order to secure the DIP Obligations, effective immediately upon entry of this Interim Order, pursuant to sections 361, 362, 364(c)(2), 364(c)(3), and 364(d) of the Bankruptcy Code, the applicable DIP Agents, for the benefit of themselves and the DIP Lenders, are hereby granted, continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens on (collectively, the "DIP Liens") all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of, with respect to the DIP ABL Obligations, each of the DIP ABL Loan Parties (the "DIP ABL Collateral") or, with respect to the DIP Term Loan Obligations, each of the DIP Term Loan Parties (the "DIP Term Collateral", together with the DIP ABL Collateral, the "DIP Collateral"), including without limitation: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located), instruments, documents, securities (whether or not marketable) and investment property (including, without limitation, all of the issued and outstanding capital stock of each of its subsidiaries), furniture, fixtures, equipment, goods, franchise rights, trade names, trademarks, servicemarks, copyrights,

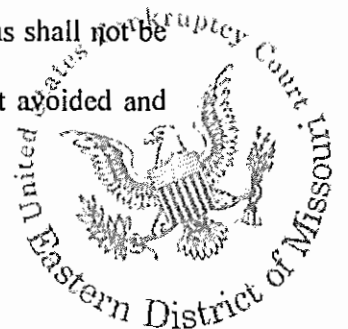


patents, intellectual property, general intangibles, rights to the payment of money (including, without limitation, tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, commercial tort claims, causes of action and all substitutions, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds, (b) all owned real property interests and all proceeds of leased real property, (c) the proceeds of any avoidance actions brought pursuant to section 549 of the Bankruptcy Code to recover any post-petition transfer of DIP Collateral and, upon entry of a Final Order, proceeds of any other avoidance actions brought pursuant to Chapter 5 of the Bankruptcy Code and (d) subject to entry of a Final Order, the Debtors' rights under section 506(c) of the Bankruptcy Code and the proceeds thereof and including all DIP Collateral that was not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date. Notwithstanding the foregoing, DIP Collateral shall not include the Debtors' real property leases but shall include all proceeds of such leases. DIP Collateral that is of a type that would be ABL Priority Collateral (as defined the Intercreditor Agreement) and the proceeds and products thereof shall in each case, constitute "DIP ABL Primary Collateral", and DIP Collateral that is of a type that would be Term Priority Collateral (as defined in the Intercreditor Agreement) and the proceeds and products thereof and shall, in each case, constitute "DIP Term Loan Primary Collateral."

6. DIP Lien Priority. The DIP Liens securing the DIP ABL Obligations (the "DIP ABL Liens") are valid, automatically perfected, non-avoidable, senior in priority and superior to any security, mortgage, collateral interest, lien or claim to any of the DIP Collateral, except that the DIP ABL Liens shall be subject to the Carve Out, a Lien in a maximum amount of \$500,000 granted by the Canadian Court on DIP Collateral of the Canadian Loan Parties to



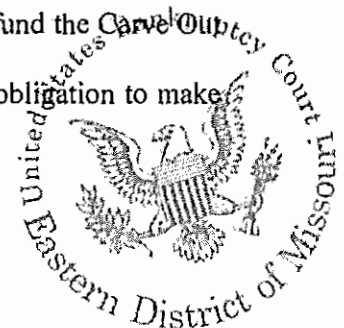
secure professional fees and expenses of Alvarez & Marsal Canada Inc. as information officer (the "Information Officer") and counsel to the Information Officer (the "Administration Charge"), a Lien in a maximum amount of \$1,400,000 granted by the Canadian Court on DIP Collateral of the Canadian Loan Parties to secure the repayment of prepetition claims of arms'-length unsecured creditors of the Canadian Loan Parties existing as of the date of the issuance of the Canadian Recognition Order (the "Canadian Unsecured Creditors Charge"), and shall otherwise be junior only to: (i) as to the DIP ABL Primary Collateral, Permitted Prior Liens; and (ii) as to the DIP Term Loan Primary Collateral, (A) Permitted Prior Liens; (B) the DIP Term Loan Liens (as defined herein); (C) the Prepetition Term Loan Liens; and (D) the Prepetition Term Loan Adequate Protection Liens. The DIP Liens securing the DIP Term Loan Obligations (the "DIP Term Loan Liens") are valid, automatically perfected, non-avoidable, senior in priority and superior to any security, mortgage, collateral interest, lien or claim to any of the DIP Term Loan Collateral, except that the DIP Term Loan Liens shall be subject to the Carve Out and shall otherwise be junior only to: (i) as to the DIP Term Loan Primary Collateral, Permitted Prior Liens; and (ii) as to the DIP ABL Primary Collateral, (A) Permitted Prior Liens; (B) the DIP ABL Liens; (C) the Prepetition Revolver Liens; and (D) the Prepetition Revolver Adequate Protection Liens. Other than as set forth herein or in the DIP Documents, the DIP Liens shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter granted in the Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in the Cases or any Successor Cases, upon the conversion of any of the Cases to a case under Chapter 7 of the Bankruptcy Code (or in any other Successor Case), and/or upon the dismissal of any of the Cases or Successor Cases. The DIP Liens shall not be subject to section 510, 549 or 550 of the Bankruptcy Code. No lien or interest avoided and



preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the DIP Liens. For greater certainty and notwithstanding any other provision of this Interim Order, the assets of the Canadian Loan Parties shall not be subject to the DIP Term Loan Liens or the Adequate Protection Liens (as defined herein), and the Canadian Loan Parties shall not be subject to the Adequate Protection Superpriority Claims (as defined herein).

7. Superpriority Claims. Upon entry of this Interim Order, the DIP Agents and DIP Lenders are hereby granted, pursuant to Section 364(c)(1) of the Bankruptcy Code, allowed superpriority administrative expense claims in each of the Cases and any Successor Cases (collectively, the “DIP Superpriority Claims”) for all DIP Obligations: (a) except as set forth herein, with priority over any and all administrative expense claims and unsecured claims against the Debtors or their estates in any of the Cases and any Successor Cases, at any time existing or arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Bankruptcy Code Sections 105, 326, 328, 330, 331, 364, 503(a), 503(b), 507(a), 507(b), 546(c), 546(d), 726, 1113 and 1114, and any other provision of the Bankruptcy Code, as provided under Section 364(c)(1) of the Bankruptcy Code; and (b) which shall at all times be senior to the rights of the Debtors and their estates, and any successor trustee or other estate representative to the extent permitted by law. Notwithstanding the foregoing, the DIP Superpriority Claims shall be *pari passu* with each other, without otherwise impairing the lien priorities as set forth herein, and subject to the Carve Out, the Administration Charge, and the Canadian Unsecured Creditors Charge.

8. No Obligation to Extend Credit. Except as required to fund the Carve Out, as set forth in paragraph 39, the DIP Agents and DIP Lenders shall have no obligation to make



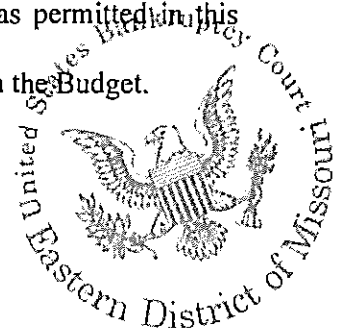
any loan or advance, or to issue, amend, renew or extend any letters of credit or bankers' acceptance under the DIP Documents, unless all of the conditions precedent to the making of such extension of credit or the issuance, amendment, renewal or extension of such letter of credit or bankers' acceptance under the DIP Documents and this Interim Order have been satisfied in full or waived by the DIP ABL Agent (in its sole discretion), DIP Term Loan Agent (acting at the direction of the Required DIP Term Lenders), as applicable, and in accordance with the terms of the DIP ABL Agreement and the DIP Term Loan Agreement.

9. Use of Proceeds of DIP Facilities. From and after the Petition Date, the Debtors shall use advances of credit under the DIP Facilities, in accordance with the Budget, only for the purposes specifically set forth in this Interim Order and the DIP Documents, and in compliance with the terms and conditions in this Interim Order and the DIP Documents.

Authorization to Use Cash Collateral

10. Authorization to Use Cash Collateral. Subject to the terms and conditions of this Interim Order, the DIP Facilities and the DIP Documents and in accordance with the Budget, the Debtors are authorized to use Cash Collateral until the DIP Termination Date (as defined herein); *provided, however*, that during the Remedies Notice Period (as defined herein) the Debtors may use Cash Collateral in accordance with the terms and provisions of the Budget solely to meet payroll obligations and pay expenses critical to the administration of the Debtors' estates in accordance with the Budget, as agreed by the DIP Agents and the Required DIP Lenders in reasonable discretion. Nothing in this Interim Order shall authorize the disposition of any assets of the Debtors or their estates outside the ordinary course of business, or any Debtor's use of any Cash Collateral or other proceeds resulting therefrom, except as permitted in this Interim Order, the DIP Facilities, the DIP Documents, and in accordance with the Budget.

11. Adequate Protection Liens.

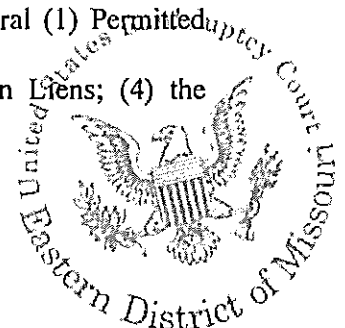


(i) *Prepetition Revolver Adequate Protection Liens.* Pursuant to Sections 361, 363(e) and 364(d) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition Revolver Parties in the Prepetition Collateral against any Diminution in Value of such interests in the Prepetition Collateral, the DIP ABL Loan Parties hereby grant to the Prepetition Revolver Agent, for the benefit of itself and the Prepetition Revolver Parties, continuing valid, binding, enforceable and perfected postpetition security interests in and liens on the DIP ABL Collateral (the “Prepetition Revolver Adequate Protection Liens”).

(ii) *Prepetition Term Loan Adequate Protection Liens.* Pursuant to Sections 361, 363(e) and 364(d) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition Term Loan Parties in the Prepetition Collateral against any Diminution in Value of such interests in the Prepetition Collateral, the Prepetition Term Loan Credit Parties hereby grant to (x) the Prepetition TL First Lien Agent, on behalf of itself and the Prepetition TL First Lien Parties and (y) the Prepetition TL Second Lien Agent, on behalf of itself and the Prepetition TL Second Lien Parties, continuing valid, binding, enforceable and perfected postpetition security interests in and liens on the DIP Term Collateral (the “Prepetition Term Loan Adequate Protection Liens,” and together with the Prepetition Revolver Adequate Protection Liens, the “Adequate Protection Liens”).

12. Priority of Adequate Protection Liens.

(i) The Prepetition Revolver Adequate Protection Liens shall be subject to the Carve Out and shall otherwise be junior only to: (a) with respect to the DIP ABL Primary Collateral (1) Permitted Prior Liens; (2) the DIP ABL Liens; and (3) the Prepetition Revolver Liens; and (b) with respect to the DIP Term Loan Primary Collateral (1) Permitted



Prepetition Term Loan Adequate Protection Liens; (5) the DIP ABL Liens; and (6) the Prepetition Revolver Liens. The Prepetition Revolver Adequate Protection Liens shall be senior to all other security interests in, liens on, or claims against any of the DIP ABL Loan Parties' assets.

(ii) The Prepetition Term Loan Adequate Protection Liens shall be subject to the Carve Out and shall otherwise be junior only to: (a) with respect to the DIP ABL Primary Collateral (1) Permitted Prior Liens; (2) the DIP ABL Liens; (3) the Prepetition Revolver Liens; (4) the Prepetition Revolver Adequate Protection Liens; (5) the DIP Term Loan Liens; and (6) the Prepetition Term Loan Liens; and (b) with respect to the DIP Term Loan Primary Collateral (1) Permitted Prior Liens; (2) the DIP Term Loan Liens; and (3) the Prepetition Term Loan Liens. The Prepetition Term Loan Adequate Protection Liens shall be senior to all other security interests in, liens on, or claims against any of the DIP Term Loan Parties' assets. For the avoidance of doubt, as among the Prepetition TL First Lien Parties and the Prepetition TL Second Lien Parties, the Prepetition Term Loan Adequate Protection Liens shall be subject to the Term Loan Intercreditor Agreement.

(iii) Except as provided herein, the Adequate Protection Liens shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter in the Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in any of the Cases or any Successor Cases, or upon the dismissal of any of the Cases or Successor Cases. The Adequate Protection Liens shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code. No lien or interest avoided and preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the Prepetition Liens or the Adequate Protection Liens.



13. Adequate Protection Superpriority Claims.

(i) *Prepetition Revolver Superpriority Claim.* As further adequate protection of the interests of the Prepetition Revolver Parties in the Prepetition Collateral against any Diminution in Value of such interests in the Prepetition Collateral, the Prepetition Revolver Agent, on behalf of itself and the Prepetition Revolver Parties, is hereby granted as and to the extent provided by section 507(b) of the Bankruptcy Code an allowed superpriority administrative expense claim in each of the Cases and any Successor Cases (the "Prepetition Revolver Superpriority Claim").

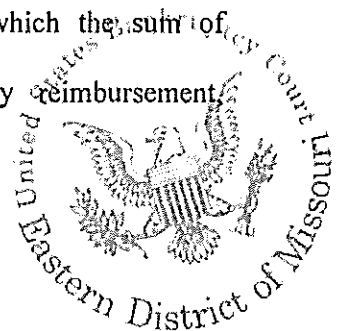
(ii) *Prepetition Term Loan Superpriority Claim.* As further adequate protection of the interests of the Prepetition Term Loan Parties in the Prepetition Collateral against any Diminution in Value of such interests in the Prepetition Collateral, (x) the Prepetition TL First Lien Agent, on behalf of itself and the Prepetition TL First Lien Parties and (y) the Prepetition TL Second Lien Agent, on behalf of itself and the Prepetition TL Second Lien Parties, are hereby granted as and to the extent provided by section 507(b) of the Bankruptcy Code allowed superpriority administrative expense claims in each of the Cases and any Successor Cases (the "Prepetition Term Loan Superpriority Claim," and together with the Prepetition Revolver Superpriority Claim, the "Adequate Protection Superpriority Claims").

14. Priority of the Adequate Protection Superpriority Claims. Except as set forth herein, the Adequate Protection Superpriority Claims shall have priority over all administrative expense claims and unsecured claims against the Debtors or their estates, now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Sections 105, 326, 328, 330, 331, 503(a), 503(b), 507(a), 506(c) (subject to entry of the Final Order), 507(b), 546(c),



546(d), 726, 1113 and 1114 of the Bankruptcy Code; *provided, however*, that the Adequate Protection Superpriority Claims shall be pari passu with each other, without otherwise impairing the lien priorities as set forth herein, and subject to the Carve Out and junior to the DIP Superpriority Claims.

15. Adequate Protection Payments and Protections for Prepetition Revolver Parties. As further adequate protection (the "Prepetition Revolver Adequate Protection Payments"), the Debtors are authorized and directed to provide adequate protection to the Prepetition Revolver Parties in the form of payment in cash (and as to fees and expenses, without the need for the filing of a formal fee application) of (i) interest, at the default rate, (ii) principal due under the Prepetition Revolver Documents, subject to the rights preserved in paragraph 42 below including payments pursuant to paragraph 23 hereof, (iii) immediately upon entry of this Interim Order, payment of the reasonable fees, expenses, and disbursements (including without limitation, the fees, expenses, and disbursements of counsel and third-party consultants and other vendors, including without limitation, financial advisors and auditors) incurred by the Prepetition Revolver Agent arising prior to the Petition Date, (iv) the reasonable fees, expenses, and disbursements (including without limitation, the fees, expenses, and disbursements of counsel and third-party consultants and other vendors, including without limitation, financial advisors and auditors) incurred by the Prepetition Revolver Agent and the Prepetition Revolver Lenders arising subsequent to the Petition Date; *provided, however*, following an Event of Default, any such payments to the Prepetition Revolver Parties shall be made solely from DIP ABL Primary Collateral, and (v) establishment of a segregated account in the control of the Prepetition Revolver Agent (the "Prepetition Revolver Indemnity Account"), into which the sum of \$500,000 of Cash Collateral shall be deposited as security for any reimbursement.



indemnification, or similar continuing obligations of the Debtors in favor of the Prepetition Revolver Lenders under the Prepetition Revolver Documents (the “Prepetition Indemnity Obligations”).

(i) The funds in the Prepetition Revolver Indemnity Account shall secure all costs, expenses, and other amounts (including reasonable and documented attorneys’ fees) incurred by the Prepetition Revolver Agent and the Prepetition Revolver Lenders in connection with or responding to (x) formal or informal inquiries and/or discovery requests, any adversary proceeding, cause of action, objection, claim, defense, or other challenge as contemplated in paragraph 42 hereof, or (y) any Challenge (as defined below) against the Prepetition Revolver Agent, or the Prepetition Revolver Lenders related to the Prepetition Revolver Documents, the Prepetition Liens, or the Prepetition Revolver Obligations, whether in the Chapter 11 Cases or independently in another forum, court, or venue.

(ii) The Prepetition Indemnity Obligations shall be secured by a first priority lien on the Prepetition Indemnity Account and the funds therein and by a lien on the Prepetition Collateral.

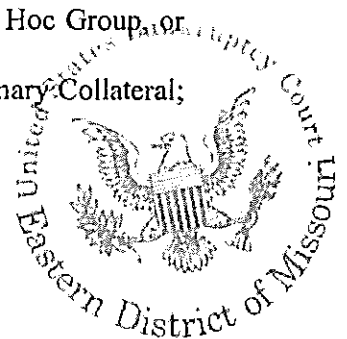
(iii) The Prepetition Revolver Lenders may apply amounts in the Prepetition Indemnity Account against the Prepetition Indemnity Obligations as and when they arise, without further notice to or consent from the Debtors, any Committee, or any other parties in interest and without further order of this Court.

(iv) In addition to the establishment and maintenance of the Prepetition Indemnity Account, the Prepetition Revolver Agent, for itself and on behalf of the Prepetition Revolver Lenders, shall retain and maintain the Prepetition ABL Liens as security for the amount



of any Prepetition Indemnity Obligations not capable of being satisfied from application of the funds on deposit in the Prepetition Indemnity Account.

16. Adequate Protection Payments and Protections for Prepetition TL First Lien Parties. As further adequate protection (the “Prepetition TL First Lien Adequate Protection Payments,” and together with the Prepetition Revolver Adequate Protection Payments, the “Adequate Protection Payments”), the Debtors are authorized and directed to pay in cash, without the need for the filing of formal fee applications: (i) immediately upon entry of this Interim Order, the reasonable and documented (in summary form) fees, expenses, and disbursements (including without limitation, the fees, expenses, and disbursements of counsel and third-party consultants and other vendors, including without limitation, financial advisors and auditors) incurred by each of the (a) Prepetition TL First Lien Agent, (b) the Consenting First Lien Lenders party to the Restructuring Support Agreement as of the Petition Date represented by King & Spalding LLP (the “Prepetition First Lien TL Ad Hoc Group”), and (c) counsel retained by any Initial Consenting Lender (as such term is defined in the Restructuring Support Agreement) prior to the Petition Date subject to the terms and conditions set forth in Section 5(v) of the Restructuring Support Agreement arising prior to the Petition Date; and (ii) the reasonable fees, expenses, and disbursements (including without limitation, the fees, expenses, and disbursements of counsel and third-party consultants and other vendors, including without limitation, financial advisors and auditors) incurred by the Prepetition TL First Lien Agent, the Prepetition First Lien TL Ad Hoc Group, and any Initial Consenting Lender arising subsequent to the Petition Date; *provided* that following an Event of Default, any such payments to the Prepetition TL First Lien Parties, Prepetition First Lien TL Ad Hoc Group, or any Initial Consenting Lender shall be made solely from the DIP Term Loan Primary Collateral;

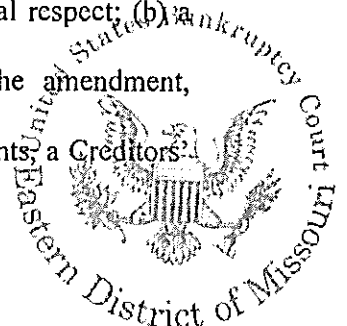


and *provided further*, that notwithstanding anything herein to the contrary, to the extent any such payments are made to the Prepetition TL First Lien Parties or the Prepetition First Lien TL Ad Hoc Group from advances under the DIP ABL Credit Facilities or from the proceeds of Prepetition ABL Priority Collateral or the DIP ABL Primary Collateral, the DIP ABL Lenders shall be reimbursed dollar for dollar from the proceeds of Prepetition Term Priority Collateral and DIP Term Loan Primary Collateral.

17. Adequate Protection Reservation. Nothing herein shall impair or modify the application of section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Revolver Parties and the Prepetition Term Loan Parties hereunder is insufficient to compensate for any Diminution in Value of their respective interests in the Prepetition Collateral during the Cases or any Successor Cases. The receipt by the Prepetition Revolver Parties and Prepetition Term Loan Parties of the adequate protection provided herein shall not be deemed an admission that the interests of the Prepetition Revolver Parties or Prepetition Term Loan Parties are adequately protected. Further, this Interim Order shall not prejudice or limit the rights of the Prepetition Revolver Parties or Prepetition Term Loan Parties to seek additional relief with respect to the use of Cash Collateral or for additional adequate protection.

Provisions Common to DIP Financing and Use of Cash Collateral

18. Amendment of the DIP Documents. The DIP Documents may from time to time be amended, modified or supplemented by the parties thereto without further order of the Court if: (a) the amendment, modification, or supplement (i) is in accordance with the DIP Documents, and (ii) does not prejudice the rights of the Debtors in any material respect; (b) a copy (which may be provided through electronic mail or facsimile) of the amendment, modification or supplement is provided to counsel to each of the other DIP Agents, a Creditors'

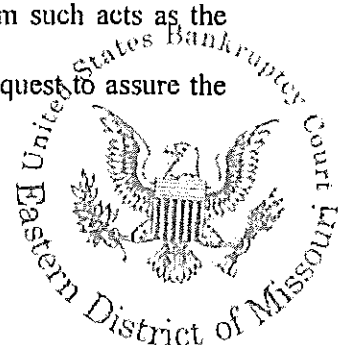


Committee (if appointed), and the U.S. Trustee (collectively, the “Notice Parties”); and (c) the amendment, modification or supplement is filed with the Court; *provided, however*, that neither consent of the Notice Parties nor approval of the Court will be necessary to effectuate any such amendment, modification or supplement and provided further that such amendment, modification or supplement shall be without prejudice to the right of any party in interest to be heard.

19. Budget Maintenance. The use of borrowings and letters of credit under the DIP Facilities shall be in accordance with the Budget and the terms and conditions set forth in the DIP Documents. The Budget and any modification to, or amendment or update of, the Budget shall be subject to the approval of, and in form and substance reasonably acceptable to the DIP Agents and the Required DIP Lenders in their sole discretion.

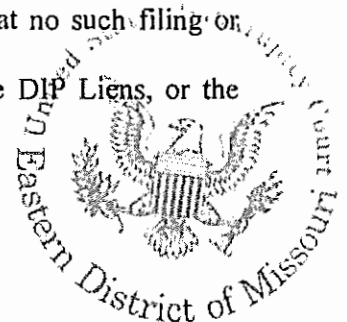
20. Budget Compliance. The use of borrowings and letters of credit under the DIP Facilities shall be in accordance with the Budget and the DIP Documents; *provided, however*, that, in the case of the fees, costs and expenses of the DIP Agents, the Prepetition Revolver Agent, the Prepetition TL First Lien Agent, and the Prepetition First Lien TL Ad Hoc Group, the Debtors shall pay such fees, costs and expenses in accordance with the DIP Documents and this Interim Order without being limited by the Budget.

21. Modification of Automatic Stay. The automatic stay imposed under section 362(a)(2) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Interim Order, including, without limitation, to: (a) permit the Debtors to grant the DIP Liens, Adequate Protection Liens, DIP Superpriority Claims, and Adequate Protection Superpriority Claims; (b) permit the Debtors to perform such acts as the DIP Agents, DIP Lenders, or the Prepetition Agents each may reasonably request to assure the



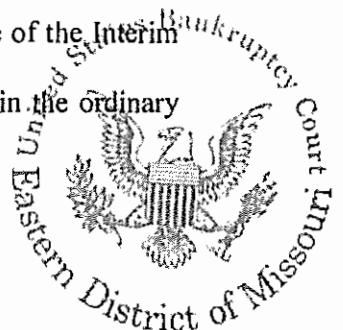
perfection and priority of the liens granted herein; (c) permit the Debtors to incur all liabilities and obligations to the DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties under the DIP Documents, the DIP Facilities and this Interim Order; and (d) authorize the Debtors to pay, and the DIP Agents, the DIP Lenders and the Prepetition Secured Parties to retain and apply, payments made in accordance with the terms of this Interim Order.

22. Perfection of DIP Liens and Adequate Protection Liens. This Interim Order shall be sufficient and conclusive evidence of the creation, validity, perfection, and priority of all liens granted herein, including the DIP Liens and the Adequate Protection Liens, without the necessity of filing or recording any financing statement, mortgage, notice, or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action (including, for the avoidance of doubt, entering into any deposit account control agreement) to validate or perfect (in accordance with applicable non-bankruptcy law) the DIP Liens, the Adequate Protection Liens, or to entitle the DIP Agents, the DIP Lenders, the Prepetition Revolver Parties and the Prepetition Term Loan Parties to the priorities granted herein. Notwithstanding the foregoing, the DIP Agents, the Prepetition Revolver Agent and the Prepetition Term Loan Agent each are authorized to file, as it in its sole discretion deems necessary or advisable, such financing statements, security agreements, mortgages, notices of liens and other similar documents to perfect in accordance with applicable non-bankruptcy law or to otherwise evidence the DIP Liens and the Adequate Protection Liens, and all such financing statements, mortgages, notices and other documents shall be deemed to have been filed or recorded as of the Petition Date; *provided, however*, that no such filing or recordation shall be necessary or required in order to create or perfect the DIP Liens, or the



Adequate Protection Liens. The Debtors are authorized and directed to execute and deliver promptly upon demand to the DIP Agents, Prepetition Revolver Agent and the Prepetition Term Loan Agents all such financing statements, mortgages, notices and other documents as the DIP Agents, the Prepetition Revolver Agent, or the Prepetition Term Loan Agents may reasonably request. The DIP Agents, the Prepetition Revolver Agent and the Prepetition Term Loan Agents, each in its discretion, may file a photocopy of this Interim Order as a financing statement with any filing or recording office or with any registry of deeds or similar office, in addition to or in lieu of such financing statements, notices of lien or similar instrument. To the extent that the Prepetition Revolver Agent or any Prepetition Term Loan Agent is the secured party under any security agreement, mortgage, leasehold mortgage, landlord waiver, credit card processor notices or agreements, bailee letters, custom broker agreements, financing statement, account control agreements, or any other Prepetition Documents or is listed as loss payee or additional insured under any of the Debtors' insurance policies, each DIP Agent (as applicable) shall also be deemed to be the secured party or mortgagee, as applicable, under such documents or to be the loss payee or additional insured, as applicable. The Prepetition Agents shall serve as agents for the DIP Agents for purposes of perfecting the DIP Agents' liens on all DIP Collateral that, without giving effect to the Bankruptcy Code and this Interim Order, is of a type such that perfection of a lien therein may be accomplished only by possession or control by a secured party.

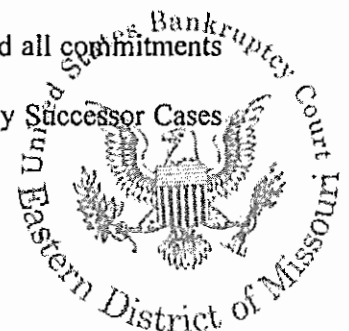
23. Application of Proceeds of Collateral. As a condition to the entry of the DIP Documents, the extension of credit under the DIP Facilities and the authorization to use Cash Collateral, the Debtors have agreed that as of and commencing on the date of the Interim Hearing, the Debtors shall apply all net proceeds of DIP Collateral that is sold in the ordinary



course or liquidated as follows: (a) with respect to DIP ABL Primary Collateral (i) *first*, following the occurrence of an Event of Default (as defined herein), to costs and expenses of the DIP ABL Agent; (ii) *second*, to permanently reduce the Prepetition Revolver Obligations; (iii) *third*, to reduce the DIP ABL Obligations, and (iv) after indefeasible repayment in full in cash of the Prepetition Revolver Obligations and the DIP ABL Obligations (including, in each case, provision for contingent obligations) and the termination of the DIP ABL Credit Facilities and all commitments thereunder, (x) to costs and expenses of the DIP Term Loan Agent, (y) to reduce the DIP Term Loan Obligations, and (z) to reduce the Prepetition Term Loan Obligations in accordance with the Term Loan Intercreditor Agreement; and (b) with respect to DIP Term Loan Primary Collateral, (i) *first*, to costs and expenses of the DIP Term Loan Agent; (ii) *second*, to reduce the DIP Term Loan Obligations; (iii) *third*, to reduce the Prepetition Term Loan Obligations in accordance with the Term Loan Intercreditor Agreement, and (iv) after indefeasible repayment in full in cash of the Prepetition Term Loan Obligations and the DIP Term Loan Obligations (including, in each case, provision for contingent obligations), (x) to costs and expenses of the DIP ABL Agent, (y) to permanently reduce the Prepetition Revolver Obligations, and (z) to reduce the DIP ABL Obligations. The reduction of the Prepetition Secured Obligations is subject to the preservation of rights provided in paragraph 42 herein.

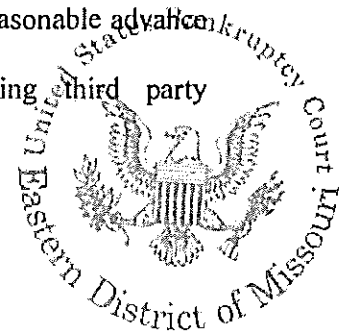
24. Protections of Rights of DIP Agents, DIP Lenders and Prepetition Secured Parties.

(i) Unless the DIP Agents, the Required DIP Lenders and the Prepetition Agents shall have provided their prior written consent or all DIP Obligations and all Prepetition Secured Obligations have been indefeasibly paid in full in cash and all commitments thereunder are terminated, there shall not be entered in any of these Cases, any Successor Cases



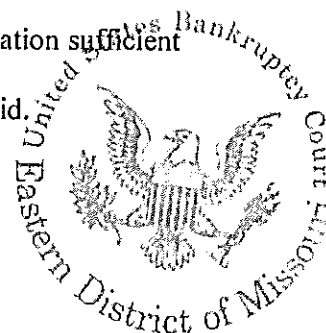
or the Canadian Cases any order (including any order confirming any plan of reorganization or liquidation) that authorizes any of the following: (i) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other Lien on all or any portion of the DIP Collateral or Prepetition Collateral and/or that is entitled to administrative priority status, in each case that is superior to or *pari passu* with the DIP Liens, the DIP Superpriority Claims, the Prepetition Liens, the Prepetition Adequate Protection Liens, and/or the Adequate Protection Superpriority Claims; (ii) the use of Cash Collateral for any purpose other than as permitted in the DIP Documents and this Interim Order, the return of goods pursuant to section 546(h) of the Bankruptcy Code (or other return of goods on account of any prepetition indebtedness) to any creditor of any Debtor or any creditor's taking any setoff against any of its prepetition indebtedness based upon any such return of goods pursuant to section 553 of the Bankruptcy Code or otherwise, or (iii) any modification of any of the DIP Agents', DIP Lenders', or the Prepetition Secured Parties' rights under this Interim Order, the DIP Documents or the Prepetition Documents with respect any DIP Obligations or Prepetition Secured Obligations.

(ii) The Debtors (and/or their legal and financial advisors in the case of clauses (ii) through (iv) below) will, whether or not the DIP Obligations have been indefeasibly paid in full in cash, (i) maintain books, records, and accounts to the extent and as required by the DIP Documents, (ii) reasonably cooperate with, consult with, and provide to the DIP Agents and the DIP Lenders all such information and documents that any or all of the Debtors are obligated (including upon reasonable request by any of the DIP Agents or the DIP Lenders) to provide under the DIP Documents or the provisions of this Interim Order, (iii) upon reasonable advance notice, permit consultants, advisors and other representatives (including third party



representatives) of each of the DIP Agents, the DIP Lenders and the Prepetition Agents to visit and inspect any of the Debtors' respective properties, to examine and make abstracts or copies from any of their respective books and records, to tour the Debtors' business premises and other properties, and to discuss, and provide advice with respect to, their respective affairs, finances, properties, business operations, and accounts with their respective officers, employees, independent public accountants and other professional advisors (other than legal counsel) as and to the extent required by the DIP Documents and/or the Prepetition Documents, (iv) permit the DIP Agents, the DIP Lenders, and the Prepetition Agents, and their respective consultants, advisors and other representatives to consult with the Debtors' management and advisors on matters concerning the Debtors' businesses, financial condition, operations and assets, and (v) upon reasonable advance notice, permit the DIP Agents, the DIP Lenders and the Prepetition Agents to conduct, at their discretion and at the Debtors' cost and expense, field audits, collateral examinations, liquidation valuations and inventory appraisals at reasonable times in respect of any or all of the DIP Collateral and Prepetition Collateral.

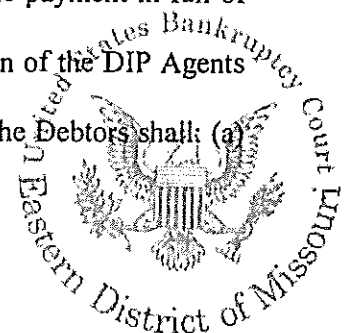
(iii) No Debtor shall object to any DIP Lenders or any Prepetition Secured Parties credit bidding up to the full amount of the applicable outstanding DIP Obligations, Prepetition Revolver Obligations (as applicable), and Prepetition Term Loan Obligations (as applicable), in each case, including any accrued interest and expenses, in any sale of any DIP Collateral or Prepetition Collateral, as applicable, and whether such sale is effectuated through Section 363 or 1129 of the Bankruptcy Code, by a Chapter 7 trustee under Section 725 of the Bankruptcy Code, or otherwise, subject, in each case, to the rights and duties of the parties under the Intercreditor Agreements and to the provision of consideration sufficient to pay in full in cash any senior liens on the collateral that is subject to the credit bid.



25. Proceeds of Subsequent Financing. If the Debtors, any trustee, any examiner with expanded powers, or any responsible officer subsequently appointed in these Cases or any Successor Cases, shall obtain credit or incur debt pursuant to Bankruptcy Code sections 364(b), 364(c) or 364(d) or in violation of the DIP Documents at any time prior to the indefeasible repayment in full of all DIP Obligations and Prepetition Secured Obligations, and the termination of the DIP Agents' and DIP Lenders' obligation to extend credit under the DIP Facilities, including subsequent to the confirmation of any plan with respect to any or all of the Debtors and the Debtors' estates, and such facilities are secured by any DIP Collateral, then all the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Agents to be applied in accordance with this Interim Order, the DIP Documents and the Intercreditor Agreements.

26. Cash Collection. From and after the date of the entry of this Interim Order, the Debtors shall maintain cash management in accordance with the DIP ABL Agreement, including, without limitation, Section 6.13 thereof. Unless otherwise agreed to in writing by the DIP Agents and Prepetition Agents, the Debtors shall maintain no accounts except those identified in the Cash Management Order (the "Cash Management Order"). The Debtors and the financial institutions where the Debtors' maintain deposit accounts (as identified in any Cash Management Order), are authorized and directed to remit, without offset or deduction, funds in such deposit accounts upon receipt of any direction to that effect from the DIP ABL Agent.

27. Maintenance of DIP Collateral. Until the indefeasible payment in full of all DIP Obligations, all Prepetition Secured Obligations, and the termination of the DIP Agents and the DIP Lenders' obligation to extend credit under the DIP Facilities, the Debtors shall: (a)

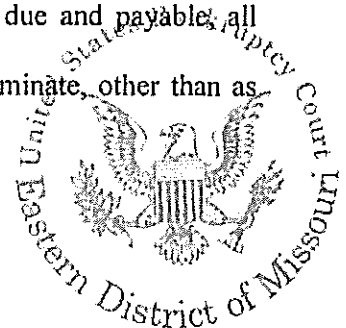


insure the DIP Collateral as required under the DIP Facilities or the Prepetition Documents, as applicable; and (b) maintain the cash management system in effect as of the Petition Date, as modified by any order that may be entered by the Court which has first been agreed to by the DIP Agents or as otherwise required by the DIP Documents.

28. Disposition of DIP Collateral. The Debtors shall not sell, transfer, lease, encumber or otherwise dispose of any portion of the DIP ABL Primary Collateral or Prepetition Revolver Primary Collateral other than in the ordinary course of business without the prior written consent of the DIP ABL Agent and Prepetition Revolver Agent (and no such consent shall be implied, from any other action, inaction or acquiescence by the DIP ABL Agent, DIP ABL Lenders, or Prepetition Revolver Parties), except as otherwise provided for in the DIP ABL Documents, and subject to the Intercreditor Agreement. The Debtors shall not sell, transfer, lease, encumber or otherwise dispose of any portion of the DIP Term Loan Primary Collateral or Prepetition Term Priority Collateral other than in the ordinary course of business without the prior written consent of the DIP Term Loan Agent (acting at the direction of the Required Term DIP Lenders) and the Prepetition Term Loan Agents (acting at the direction of the "Required Lenders" (as defined in the applicable Prepetition Term Loan Agreement) (and no such consent shall be implied, from any other action, inaction or acquiescence by the DIP Term Loan Agent, DIP Term Loan Lenders, or Prepetition Term Loan Parties), except as otherwise provided for in the DIP Term Loan Documents, and subject to the Intercreditor Agreement.

29. Reserved.

30. DIP Termination Date. On the applicable DIP Termination Date (as defined herein), (a) all applicable DIP Obligations shall be immediately due and payable, all commitments to extend credit under the applicable DIP Facilities will terminate, other than as

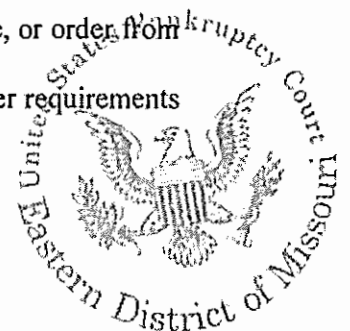


required in paragraph 39 with respect to the Carve Out, all treasury management and bank product obligations shall be cash collateralized, and all letters of credit and bankers' acceptances outstanding shall be cash collateralized in an amount equal to 105% of the face amount thereof, and such cash collateral shall not be subject to or subordinate to the Carve Out, and (b) all authority to use Cash Collateral shall cease, *provided, however*, that during the Remedies Notice Period (as defined herein), the Debtors may use Cash Collateral to pay payroll and other expenses critical to the administration of the Debtors' estates in accordance with the Budget and approved by the DIP Agents and the Required DIP Lenders. For the purposes of this Interim Order, the "DIP Termination Date" shall mean the "Termination Date" as defined in each of the DIP ABL Agreement and the DIP Term Loan Agreement, as applicable.

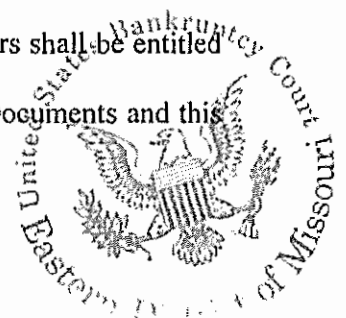
31. Events of Default. The occurrence of any of the following events, unless waived by the DIP Agents in writing and in accordance with the terms of the DIP ABL Agreement and the DIP Term Loan Agreement, shall constitute an event of default (collectively, the "Events of Default"): (a) the failure of the Debtors to perform, in any respect, any of the terms, provisions, conditions, covenants, or obligations under this Interim Order or any orders of the Canadian Court, or (b) the occurrence of an "Event of Default" under, and as defined in, the DIP ABL Agreement or the DIP Term Loan Agreement.

32. Reserved.

33. Rights and Remedies Upon Event of Default. Immediately upon the occurrence and during the continuation of an Event of Default under either the DIP ABL Documents or the DIP Term Loan Documents, notwithstanding the provisions of section 362 of the Bankruptcy Code, without any application, motion or notice to, hearing before, or order from the Court, but subject to the terms of this Interim Order (and to any notice or other requirements



of the Canadian Court in the case of the Canadian Loan Parties) (a) each DIP Agent may declare (any such declaration shall be referred to herein as a "Termination Declaration") (1) all DIP Obligations owing under the respective DIP Documents to be immediately due and payable, (2) the termination, reduction or restriction of any further commitment to extend credit to the Debtors to the extent any such commitment remains under the respective DIP Facilities, (3) termination of the respective DIP Credit Facilities and the respective DIP Documents as to any future liability or obligation of the applicable DIP Agents and the DIP Lenders, but without affecting any of the DIP Liens or the DIP Obligations, and (4) that the application of the Carve Out has occurred through the delivery of the Carve Out Trigger Notice to the Borrower; and (b) either the DIP ABL Agent (in the case of Cash Collateral of proceeds of the DIP ABL Primary Collateral) or the DIP Term Loan Agent (in the case of Cash Collateral of proceeds of the DIP Term Loan Primary Collateral) may declare a termination, reduction or restriction on the ability of the Debtors to use Cash Collateral (the date which is the earliest to occur of any such date a Termination Declaration is delivered and the DIP Termination Date shall be referred to herein as the "Termination Date"). The Termination Declaration shall be given by electronic mail (or other electronic means) to counsel to the Debtors and the Canadian Loan Parties, counsel to the DIP ABL Agent and Tranche A-1 Agent (if delivered by the DIP Term Loan Agent), counsel to the DIP Term Loan Agent (if delivered by the DIP ABL Agent), counsel to a Creditors' Committee (if appointed), and the U.S. Trustee. The automatic stay in the Cases otherwise applicable to the DIP Agents, the DIP Lenders and the Prepetition Secured Parties is hereby modified so that five (5) business days after the date a Termination Declaration is delivered (the "Remedies Notice Period"): (A) the applicable DIP Agent and the DIP Lenders shall be entitled to exercise their rights and remedies in accordance with the respective DIP Documents and this

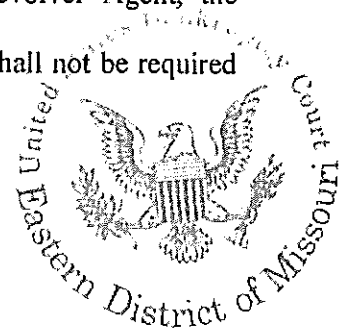


Interim Order and shall be permitted to satisfy the relevant DIP Obligations, DIP Superpriority Claim and DIP Liens, subject to the Carve Out, (B) the applicable Prepetition Secured Parties shall be entitled to exercise their rights and remedies to satisfy the relevant Prepetition Secured Obligations, Adequate Prepetition Superpriority Claims and Prepetition Adequate Protection Liens, subject to and consistent with (i) the Carve Out, (ii) this Interim Order, (iii) the Intercreditor Agreements, and (iv) in the case of the Canadian Loan Parties, any notice or other requirements of the Canadian Court. During the Remedies Notice Period, the only basis on which the Debtors and/or a Creditors' Committee (if appointed) shall be entitled to seek an emergency hearing within the Remedies Notice Period with the Court shall be to contest whether an Event of Default has occurred and/or is continuing and the DIP Lenders shall consent to such emergency hearing, and the Debtors hereby waive their right to and shall not be entitled to seek relief, including, without limitation, under Section 105 of the Bankruptcy Code, to the extent that such relief would in any way impair or restrict the rights and remedies of the DIP Agents, the DIP Lenders, or the Prepetition Secured Parties. Unless the Court orders otherwise, the automatic stay, as to all of the DIP Agents, DIP Lenders, and Prepetition Secured Parties, shall automatically be terminated at the end of the Remedies Notice Period without further notice or order. Upon expiration of the Remedies Notice Period, the DIP Agents, DIP Lenders, the Prepetition Revolver Parties and the Prepetition Term Loan Parties shall be permitted to exercise all remedies set forth herein, in the DIP Documents, the Prepetition Documents, and as otherwise available at law without further order of or application or motion to the Court consistent with the Intercreditor Agreements (but in the case of the Canadian Loan Parties, subject to any notice or other requirements of the Canadian Court).



34. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Interim Order. The DIP Agents, DIP Lenders, the Prepetition Revolver Parties and the Prepetition Term Loan Parties have acted in good faith in connection with this Interim Order and are entitled to rely upon the protections granted herein and by section 364(e) of the Bankruptcy Code. Based on the findings set forth in this Interim Order and the record made during the Interim Hearing, and in accordance with section 364(e) of the Bankruptcy Code, in the event any or all of the provisions of this Interim Order are hereafter modified, amended or vacated by a subsequent order of this Court or any other court, the DIP Agents, the DIP Lenders, Prepetition Revolver Parties and the Prepetition Term Loan Parties are entitled to the protections provided in section 364(e) of the Bankruptcy Code. Any such modification, amendment or vacatur shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim or priority authorized or created hereby.

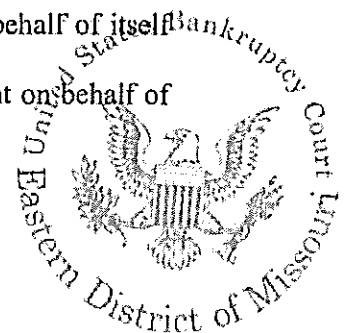
35. DIP and Other Expenses. The Debtors are authorized and directed to pay all reasonable and documented prepetition and postpetition fees and expenses of (x) the DIP Agents and DIP Lenders in connection with the DIP Facilities, as provided in the DIP Documents, whether or not the transactions contemplated hereby are consummated, and (y) the Prepetition TL First Lien Agent and the Prepetition TL First Lien Ad Hoc Group, as set forth herein, in each case, including attorneys' fees, monitoring and appraisal fees, financial advisory fees, fees and expenses of other consultants, and indemnification and reimbursement of fees and expenses. Payment of all such fees and expenses shall not be subject to allowance by the Court. Professionals for the DIP Agents, the DIP Lenders, the Prepetition Revolver Agent, the Prepetition TL First Lien Agent and the Prepetition TL First Lien Lenders shall not be required



to comply with the U.S. Trustee fee guidelines, however any time that such professionals seek payment of fees and expenses from the Debtors, each professional shall provide copies of its fee and expense statements or invoices in summary form (which may be redacted or modified to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney client privilege or of any benefits of the attorney work product doctrine) to the U.S. Trustee and counsel for a Creditors' Committee (if appointed) contemporaneously with the delivery of such fee and expense statements to the Debtors. No attorney or advisor to the DIP Agents, DIP Lenders, the Prepetition Revolver Agent, the Prepetition TL First Lien Agent or the Prepetition TL First Lien Lenders shall be required to file an application seeking compensation for services or reimbursement of expenses with the Court. Any and all fees, costs, and expenses paid prior to the Petition Date by any of the Debtors to (x) the DIP Agents or DIP Lenders in connection with or with respect to the DIP Facilities, or (y) the Prepetition Secured Parties in connection with or with respect to the Prepetition Secured Facilities, are, in each case, hereby approved in full.

36. Indemnification. The Debtors shall indemnify and hold harmless the DIP Agents and the DIP Lenders in accordance with the terms and conditions of the DIP Agreements.

37. Proofs of Claim. The DIP Agents, the DIP Lenders, the Prepetition Revolver Parties and the Prepetition Term Loan Parties will not be required to file proofs of claim in any of the Cases or Successor Cases for any claim allowed herein. Notwithstanding any order entered by the Court in relation to the establishment of a bar date in any of the Cases or Successor Cases to the contrary, each of (a) the Prepetition Revolver Agent on behalf of itself and the Prepetition Revolver Parties, (b) the Prepetition TL First Lien Loan Agent on behalf of

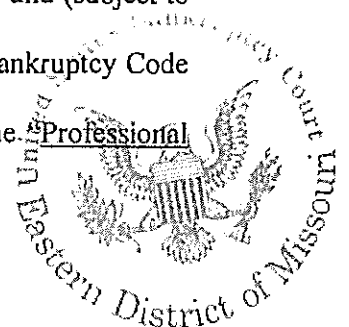


itself and the Prepetition TL First Lien Parties and (c) the Prepetition TL Second Lien Agent on behalf of itself and the Prepetition TL Second Lien Parties is hereby authorized and entitled, in its sole discretion, but not required, to file (and amend and/or supplement, as it sees fit) a proof of claim and/or aggregate proofs of claim in each of the Cases or Successor Cases for any claim allowed herein. Any proof of claim filed by the Prepetition Revolver Agent or any Prepetition Term Loan Agent shall be deemed to be in addition to and not in lieu of any other proof of claim that may be filed by any of the Prepetition Revolver Parties or Prepetition Term Loan Parties, respectively. Any order entered by the Court in relation to the establishment of a bar date in any of the Cases or Successor Cases shall not apply to any claim of the DIP Agents, the DIP Lenders, the Prepetition Revolver Parties and the Prepetition Term Loan Parties.

38. Reserved.

39. Carve Out.

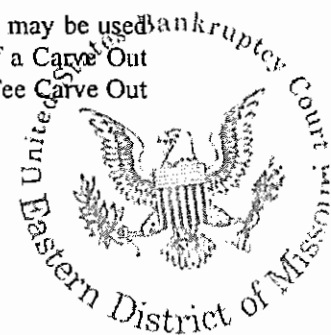
(a) Carve Out. As used in this Final Order, the "Carve Out" means the sum of (i) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate; (ii) all reasonable fees and expenses up to \$50,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (the "Chapter 7 Trustee Carve-Out"); (iii) to the extent allowed at any time, whether by interim order, procedural order, or otherwise (and, in the case of the Committee Professionals (as defined below), subject to the Budget), all unpaid fees and expenses (the "Allowed Professional Fees") incurred by persons or firms retained by the Debtors pursuant to section 327, 328, or 363 of the Bankruptcy Code (the "Debtor Professionals") and (subject to the Budget) the Creditors' Committee pursuant to section 328 or 1103 of the Bankruptcy Code (the "Committee Professionals" and, together with the Debtor Professionals, the "Professional



Persons”) at any time before or on the first business day following delivery by the DIP ABL Agent or DIP Term Loan Agent of a Carve Out Trigger Notice (as defined below), whether allowed by the Court prior to or after delivery of a Carve Out Trigger Notice; and (iv) Allowed Professional Fees of Professional Persons in an aggregate amount not to exceed \$2,000,000 incurred after the first business day following delivery by the DIP ABL Agent or the DIP Term Loan Agent of the Carve Out Trigger Notice, to the extent allowed at any time, whether by interim order, procedural order, or otherwise (the amounts set forth in this clause (iv) being the “Post-Carve Out Trigger Notice Cap”).⁶ For purposes of the foregoing, “Carve Out Trigger Notice” shall mean a written notice delivered by email (or other electronic means) by the DIP ABL Agent or DIP Term Loan Agent to the Debtors, their lead restructuring counsel, the U.S. Trustee, and counsel to the Creditors’ Committee, which notice may be delivered following the occurrence and during the continuation of an Event of Default and acceleration of the DIP ABL Obligations or the DIP Term Loan Obligations under the DIP ABL Facility or DIP Term Loan Facility, respectively, stating that the Post-Carve Out Trigger Notice Cap has been invoked.

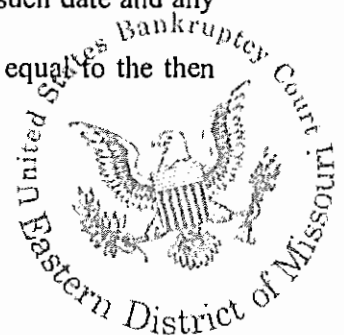
(b) Delivery of Weekly Fee Statements. Not later than 5:00 p.m. New York time on Tuesday of each week starting with the second week following the Petition Date, each Professional shall deliver to the Debtors, the DIP ABL Agent, the Prepetition ABL Agent and the DIP Term Loan Agent a statement setting forth the amount and a description of the fees and expenses incurred during the preceding week by such professional Person (each such statement, a “Weekly Statement”). Solely as it relates to the DIP ABL Agent, the DIP ABL Lenders, the Prepetition ABL Agent and the Prepetition ABL Lenders, the Carve Out under paragraph (a)(iii)

⁶ Notwithstanding the foregoing, up to \$500,000 of the Post-Carve Out Trigger Notice Cap may be used to pay Allowed Professional Fees of Professional Persons incurred prior to the delivery of a Carve Out Trigger Notice to the extent such Allowed Professional Fees exceed the ABL Professional Fee Carve Out Cap (as defined below).

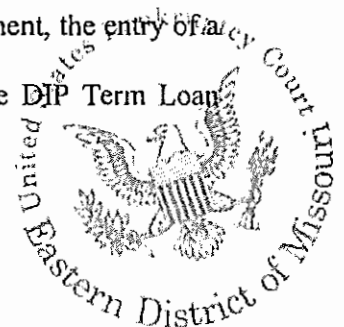


above shall be limited to the greater of (x) the aggregate unpaid amount of Professional Fees included in such Weekly Statements timely received by the DIP ABL Agent and Prepetition ABL Agent prior to the Termination Declaration Date (as defined below), and (y) the aggregate unpaid amount of Professional Fees included in the Budget for the period prior to the Termination Declaration Date (such amount, the "ABL Professional Fee Carve Out Cap"). For the avoidance of doubt, the DIP ABL Agent shall at all times maintain, as part of the Availability Reserve (as defined in the DIP ABL Agreement), a reserve in an amount not less than the sum of (i) the then outstanding amount of the ABL Professional Fee Carve Out Cap, *plus* (ii) the Post-Carve Out Trigger Notice Cap, *plus* (iii) the amounts contemplated under paragraph (a)(i) and (a)(ii) above;

(c) Carve Out Reserves. On the day on which a Carve Out Trigger Notice is given by either the DIP ABL Agent or the DIP Term Loan Agent to the Debtors with a copy to counsel to the Creditors' Committee (the "Termination Declaration Date"), the Carve Out Trigger Notice shall be deemed (i) a draw request and notice of borrowing by the Debtors for DIP ABL Loans under the DIP ABL Agreement in an amount equal to the sum of (x) the amounts set forth in paragraphs (a)(i) and (a)(ii), above, and (y) the then unpaid amounts of the Allowed Professional Fees up to the ABL Professional Fee Carve Out Cap (any such amounts actually advanced shall constitute DIP ABL Loans) and (ii) a draw request and notice of borrowing by the Debtors for DIP Term Loans under the DIP Term Loan Facility in an amount equal to the unpaid amounts of the Allowed Professional Fees in excess of the ABL Professional Fee Carve Out Cap (any such amounts actually advanced shall constitute DIP Term Loans), and shall also constitute a demand to the Debtors to utilize all cash on hand as of such date and any available cash thereafter held by any Debtor to fund a reserve in an amount equal to the then

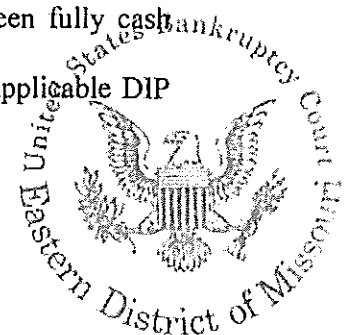


unpaid amounts of the Allowed Professional Fees (which cash amounts shall reduce, on a dollar for dollar basis, the draw requests and applicable DIP ABL Loans and DIP Term Loans pursuant to clauses (i) and (ii) of this paragraph (c)). The Debtors shall deposit and hold such amounts in a segregated account at the DIP ABL Agent in trust exclusively to pay such unpaid Allowed Professional Fees (the "Pre-Carve Out Trigger Notice Reserve"). On the Termination Declaration Date, the Carve Out Trigger Notice shall also be deemed a request by the Debtors for (x) DIP ABL Loans under the DIP ABL Agreement in an amount equal to the Post-Carve Out Trigger Notice Cap (any such amounts actually advanced shall constitute Revolving Credit Loans) and, (y) to the extent not funded by the DIP ABL Lenders, for DIP Term Loans in an amount equal to any unfunded portion of the Post-Carve Out Trigger Notice Cap (any such amounts actually advanced shall constitute DIP Term Loans). The Debtors shall deposit and hold such amounts in a segregated account at the DIP ABL Agent in trust exclusively to pay such Allowed Professional Fees benefiting from the Post-Carve Out Trigger Notice Cap (the "Post-Carve Out Trigger Notice Reserve" and, together with the Pre-Carve Out Trigger Notice Reserve, the "Carve Out Reserves"). On the third business day following the Termination Declaration Date and the deemed requests for the making of DIP ABL Loans and DIP Term Loans as provided in this paragraph (c), notwithstanding anything in the DIP ABL Agreement or the DIP Term Loan Agreement to the contrary, including with respect to (1) the existence of a Default (as defined in the DIP ABL Agreement or the DIP Term Loan Agreement) or Event of Default, (2) the failure of the Debtors to satisfy any or all of the conditions precedent for the making of any DIP ABL Loan under the DIP ABL Agreement or DIP Term Loans under the DIP Term Loan Agreement (other than with respect to the DIP Term Loan Agreement, the entry of a Final Order by the Court permitting the Debtors to borrow funds under the DIP Term Loan



Agreement), respectively, (3) any termination of the DIP ABL Loan Commitments or DIP Term Loan Commitments following an Event of Default, or (4) the occurrence of the Maturity Date, each DIP ABL Lender and DIP Term Loan Lender with an outstanding Commitment shall make available to the DIP ABL Agent or DIP Term Loan Agent, as applicable, such DIP ABL Lender's or such DIP Term Loan Lender's pro rata share of such DIP ABL Loans or DIP Term Loans, as applicable; provided, however, that nothing herein shall require the DIP Term Loan Lenders to make DIP Term Loans in excess of \$30 million in the aggregate. For the avoidance of doubt, the Carve Out Reserves shall constitute the primary source for payment of Allowed Professional Fees entitled to benefit from the Carve Out, and any lien priorities or superpriority claims granted pursuant to this Interim Order to secure payment of the Carve Out shall be limited to any shortfall in funding as provided below.

(d) Application of Carve Out Reserves. (i) All funds in the Pre-Carve Out Trigger Notice Reserve shall be used first to pay the obligations set forth in subparagraphs (a)(i) through (a)(iii) of the definition of Carve Out set forth above (the "Pre-Carve Out Amounts"), but not, for the avoidance of doubt, the Post-Carve Out Trigger Notice Cap (other than amounts up to \$500,000 to the extent the Pre-Carve Out Amounts exceed the ABL Professional Fee Carve Out Cap), until paid in full. If the Pre-Carve Out Trigger Notice Reserve has not been reduced to zero, subject to clause (iii), below, all remaining funds shall be distributed *first* to the DIP ABL Agent on account of the DIP ABL Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) until indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP

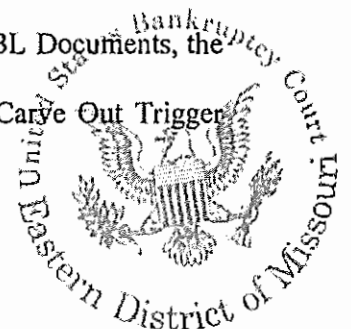


ABL L/C Issuers), and *thereafter* to the Prepetition ABL Lenders in accordance with their rights and priorities as of the Petition Date.

(ii) All funds in the Post-Carve Out Trigger Notice Reserve (other than up to \$500,000, which may be used to pay Pre-Carve Out Amounts to the extent they exceed the ABL Professional Fee Carve Out Cap) shall be used first to pay the obligations set forth in clause (iv) of the definition of Carve Out set forth above (the "Post-Carve Out Amounts"). If the Post-Carve Out Trigger Notice Reserve has not been reduced to zero, subject to clause (iii), below, all remaining funds shall be distributed *first* to the DIP ABL Agent on account of the DIP ABL Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) until indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP ABL L/C Issuers), and *thereafter* to the Prepetition ABL Lenders in accordance with their rights and priorities as of the Petition Date.

(iii) Notwithstanding anything to the contrary in the DIP ABL Documents, the DIP Term Loan Documents or this Interim Order, if either of the Carve Out Reserves is not funded in full in the amounts set forth in this paragraph (c), then, any excess funds in one of the Carve Out Reserves following the payment of the Pre-Carve Out Amounts and Post-Carve Out Amounts, respectively, shall be used to fund the other Carve Out Reserve to the extent of any shortfall in funding prior to making any payments to the DIP ABL Agent or the Prepetition ABL Lenders, as applicable.

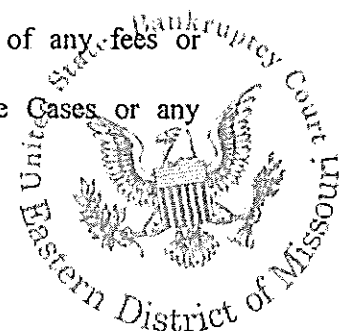
(iv) Notwithstanding anything to the contrary in the DIP ABL Documents, the DIP Term Loan Documents or the Interim Order, following delivery of a Carve Out Trigger



Notice, the DIP ABL Agent, the Prepetition ABL Agent, the DIP Term Loan Agent and the Prepetition Term Loan Agent shall not sweep or foreclose on cash (including cash received as a result of the sale or other disposition of any assets) of the Debtors until the Carve Out Reserves have been fully funded, but shall have a security interest in any residual interest in the Carve Out Reserves, with any excess paid as provided in paragraphs (ii) and (iii) above.

(v) Notwithstanding anything to the contrary in this Interim Order, (i) the failure of the Carve Out Reserves to satisfy in full the Allowed Professional Fees shall not affect the priority of the Carve Out with respect to any shortfall (as described below), and (ii) subject to the limitations with respect to the DIP ABL Agent, DIP ABL Lenders, Prepetition ABL Agent and Prepetition ABL Lenders set forth in paragraph (b), above, in no way shall the Initial Budget, any Approved Budget, Annual Operating Forecast, Carve Out, Post-Carve Out Trigger Notice Cap or Carve Out Reserves be construed as a cap or limitation on the amount of the Allowed Professional Fees due and payable by the Debtors. For the avoidance of doubt and notwithstanding anything to the contrary herein or in the DIP Facilities, or in any Prepetition Secured Facilities, to the extent of any shortfall in the Carve Out Reserves, the Carve Out shall be senior to all liens and claims securing the DIP Facilities, the Adequate Protection Liens, and the Diminution in Value claims, and any and all other forms of adequate protection, liens, or claims securing the DIP Obligations or the Prepetition Secured Obligations; provided that in all cases, the Carve Out priority with regard to the DIP ABL Collateral will always be subject to the ABL Professional Fee Carve Out Cap.

(d) No Direct Obligation To Pay Allowed Professional Fees. The DIP Agents and the DIP Lenders shall not be responsible for the payment or reimbursement of any fees or disbursements of any Professional Person incurred in connection with the Cases or any

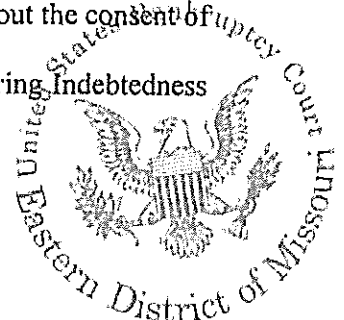


Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Final Order or otherwise shall be construed to obligate the DIP Agents or the DIP Lenders, or the DIP L/C Issuers, in any way, to pay compensation to, or to reimburse expenses of, any Professional Person or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement.

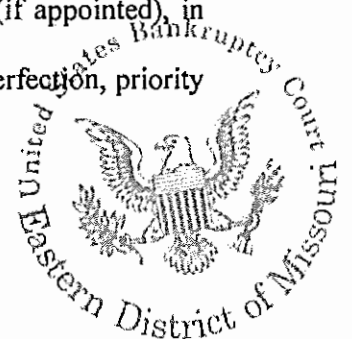
(e) Payment of Allowed Professional Fees Prior to the Termination Declaration Date. Any payment or reimbursement made prior to the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall not reduce the Carve Out.

(f) Payment of Carve Out On or After the Termination Declaration Date. Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall permanently reduce the Carve Out on a dollar-for-dollar basis. Any funding of the Carve Out shall be added to, and made a part of, the DIP Obligations secured by the DIP Collateral and shall be otherwise entitled to the protections granted under this Final Order, the DIP Documents, the Bankruptcy Code, and applicable law.

40. Limitations on Use of DIP Proceeds, Cash Collateral and Carve Out. The DIP Facilities, the DIP Collateral, the Prepetition Collateral, the Cash Collateral and the Carve Out may not be used in connection with: (a) preventing, hindering, or delaying any of the DIP Agents', the DIP Lenders', the Prepetition Revolver Parties' or the Prepetition Term Loan Parties' enforcement or realization upon any of the DIP Collateral or Prepetition Collateral; (b) using or seeking to use Cash Collateral or selling or otherwise disposing of DIP Collateral without the consent of the applicable DIP Agents and the applicable Required DIP Lenders; (c) using or seeking to use any insurance proceeds constituting DIP Collateral without the consent of the applicable DIP Agents and the applicable Required DIP Lenders; (d) incurring indebtedness



(as defined in the DIP ABL Agreement or the DIP Term Loan Agreement) without the prior consent of the applicable DIP Agents and the applicable Required DIP Lenders, except to the extent permitted under the applicable DIP Agreements; (e) seeking to amend or modify any of the rights granted to the DIP Agents, the DIP Lenders, or the Prepetition Secured Parties under this Interim Order, the DIP Documents, or the Prepetition Documents, including seeking to use Cash Collateral and/or DIP Collateral on a contested basis; (f) objecting to or challenging in any way the DIP Liens, DIP Obligations, Prepetition Liens, Prepetition Secured Obligations, DIP Collateral (including Cash Collateral) or, as the case may be, Prepetition Collateral, or any other claims or liens, held by or on behalf of any of the DIP Agents, the DIP Lenders, or the Prepetition Secured Parties, respectively; (g) asserting, commencing or prosecuting any claims or causes of action whatsoever, including, without limitation, any actions under Chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions to recover or disgorge payments, against any of the DIP Agents, the DIP Lenders, the Prepetition Secured Parties, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors and employees; (h) litigating, objecting to, challenging, or contesting in any manner, or raising any defenses to, the validity, extent, amount, perfection, priority, or enforceability of any of the DIP Obligations, the DIP Liens, the Prepetition Liens, Prepetition Secured Obligations or any other rights or interests of any of the DIP Agents, the DIP Lenders, the Prepetition Secured Parties; or (i) seeking to subordinate, recharacterize, disallow or avoid the DIP Obligations or the Prepetition Secured Obligations; *provided, however*, that the Carve Out and such collateral proceeds and loans under the DIP Documents may be used for allowed fees and expenses, in an amount not to exceed \$50,000 in the aggregate, incurred solely by a Creditors' Committee (if appointed), in investigating (but not prosecuting or challenging) the validity, enforceability, perfection, priority

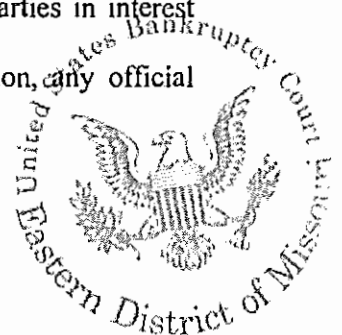


or extent of the Prepetition Liens (the "Limited Amount"); and *provided, further*, that during the Remedies Notice Period the Debtors and a Creditors' Committee (if appointed) shall be entitled to an emergency hearing before the Court to contest solely whether an Event of Default has occurred and/or is continuing. Notwithstanding anything to the contrary, any fees, expenses or costs incurred by Committee Professionals in excess of the Limited Amount or in excess of the amount budgeted for Committee Professionals set forth in the Budget shall not constitute an allowable administrative expense claim, including for purposes of section 1129(a)(9)(A) of the Bankruptcy Code.

41. Payment of Compensation. Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any Professional Person or shall affect the right of the DIP Agents, the DIP Lenders, the Prepetition Revolver Parties, or the Prepetition Term Loan Parties to object to the allowance and payment of such fees and expenses. So long as an unwaived Event of Default has not occurred, the Debtors shall be permitted to pay fees and expenses allowed and payable by final order (that has not been vacated or stayed, unless the stay has been vacated) under sections 328, 330, 331, and 363 of the Bankruptcy Code, as the same may be due and payable, as reflected in the most recent Budget provided by the Debtors to the DIP Agents.

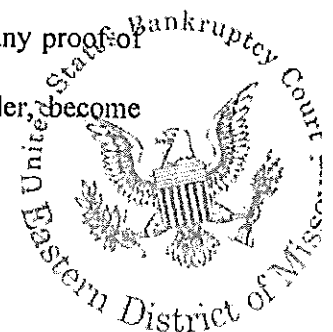
42. Effect of Stipulations on Third Parties.

(i) *Generally.* The admissions, stipulations, agreements, releases, and waivers set forth in this Interim Order (collectively, the "Prepetition Lien and Claim Matters") are and shall be binding on the Debtors, any subsequent trustee, responsible person, examiner with expanded powers, any other estate representative, and all creditors and parties in interest and all of their successors in interest and assigns, including, without limitation, any official



committee that may be appointed in these cases, unless, and solely to the extent that, a party in interest with standing and requisite authority (other than the Debtors, as to which any Challenge (as defined below) is irrevocably waived and relinquished) (i) has timely filed the appropriate pleadings, and timely commenced the appropriate proceeding required under the Bankruptcy Code and Bankruptcy Rules, including, without limitation, as required pursuant to Part VII of the Bankruptcy Rules (in each case subject to the limitations set forth in paragraph of this Interim Order) challenging the Prepetition Lien and Claim Matters (each such proceeding or appropriate pleading commencing a proceeding or other contested matter, a “Challenge”) by no later than the earliest of: (a) 60 calendar days from the date of entry of the appointment of the Creditors’ Committee and (b) 75 calendar days from the Petition Date (the “Challenge Deadline”), as such applicable date may be extended in writing from time to time in the sole discretion of the Prepetition Revolver Agent (with respect to the Prepetition Revolver Documents) and the Prepetition Term Loan Agents (acting at the direction of the “Required Lenders” (as defined in the applicable Prepetition Term Loan Agreement) (with respect to the applicable Prepetition Term Loan Documents), or by this Court for good cause shown pursuant to an application filed by a party in interest prior to the expiration of the Challenge Deadline, and (ii) this Court enters judgment in favor of the plaintiff or movant in any such timely and properly commenced Challenge proceeding and any such judgment has become a final judgment that is not subject to any further review or appeal.

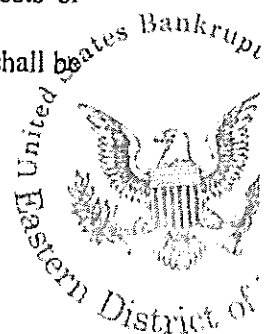
(ii) *Binding Effect.* To the extent no Challenge is timely and properly commenced by the Challenge Deadline, then, without further notice, motion, or application to, order of, or hearing before, this Court and without the need or requirement to file any proof of claim, the Prepetition Lien and Claim Matters shall, pursuant to this Interim Order, become



binding, conclusive, and final on any person, entity, or party in interest in the Cases, and their successors and assigns, and in any Successor Case for all purposes and shall not be subject to challenge or objection by any party in interest, including, without limitation, a trustee, responsible individual, examiner with expanded powers, or other representative of the Debtors' estates. Notwithstanding anything to the contrary herein, if any such proceeding is properly and timely commenced, the Prepetition Lien and Claim Matters shall nonetheless remain binding on all other parties in interest and preclusive as provided in subparagraph (a) above except to the extent that any of such Prepetition Lien and Claim Matters is expressly the subject of a timely and properly filed Challenge, which Challenge is successful as set forth in a final judgment, and only as to plaintiffs or movants that have complied with the terms hereof. To the extent any such Challenge proceeding is timely and properly commenced, the Prepetition Secured Parties shall be entitled to payment of the related costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred under the Prepetition Documents in defending themselves in any such proceeding as adequate protection.

43. No Third Party Rights/No Superior Rights of Reclamation. Except as explicitly provided for herein, this Interim Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary. Based on the findings and rulings herein concerning the integrated nature of the DIP Agreements and the Prepetition Secured Facilities and the relation back of the DIP Liens, in no event shall any alleged right of reclamation or return (whether asserted under Section 546(c) of the Bankruptcy Code or otherwise) be deemed to have priority over the DIP Liens.

44. Section 506(c) Claims. Subject to entry of a Final Order, no costs or expenses of administration which have been or may be incurred in the Cases at any time shall be

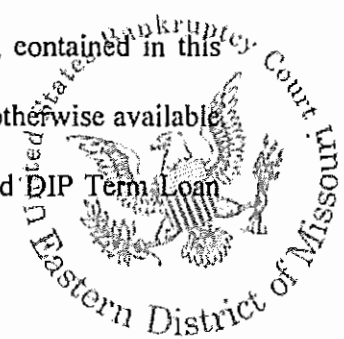


charged against the DIP Agents, DIP Lenders, the Prepetition Revolver Parties or the Prepetition Term Loan Parties, or any of their respective claims, the DIP Collateral, or the Prepetition Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code, or otherwise, without the prior written consent, as applicable, of the DIP Agents, DIP Lenders, Prepetition Revolver Parties or Prepetition Term Loan Parties, as applicable, and no such consent shall be implied from any other action, inaction, or acquiescence by any such agents or lenders.

45. No Marshaling/Applications of Proceeds. Subject to entry of a Final Order, the DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties shall not be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the DIP Collateral or the Prepetition Collateral, as the case may be, and proceeds shall be received and applied pursuant to this Interim Order and the DIP Documents notwithstanding any other agreement or provision to the contrary.

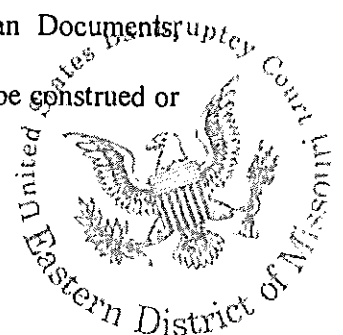
46. Section 552(b). Subject to entry of a Final Order, the Prepetition Revolver Parties and Prepetition Term Loan Parties shall each be entitled to all of the rights and benefits of section 552(h) of the Bankruptcy Code, and the “equities of the case” exception under section 552(b) of the Bankruptcy Code shall not apply to the Prepetition Revolver Parties or Prepetition Term Loan Parties, with respect to proceeds, product, offspring or profits of any of the Prepetition Collateral.

47. Access to DIP Collateral. Notwithstanding anything contained herein to the contrary and without limiting any other rights or remedies of the DIP Agents, exercisable on behalf of the DIP ABL Lenders and DIP Term Loan Lenders, respectively, contained in this Interim Order, the DIP ABL Documents, the DIP Term Loan Documents, or otherwise available at law or in equity, and subject to the terms of the DIP ABL Documents and



Documents, upon written notice to the landlord of any leased premises that an Event of Default or the Termination Date has occurred and is continuing, the DIP ABL Agent or DIP Term Loan Agent, as applicable, may, subject to the applicable notice provisions, if any, in this Interim Order and any separate applicable agreement by and between such landlord and the DIP ABL Agent or DIP Term Loan Agent (and in the case of the Canadian Loan Parties, subject to any notice or other requirements of the Canadian Court), enter upon any leased premises of the Debtors or any other party for the purpose of exercising any remedy with respect to DIP Collateral located thereon and shall be entitled to all of the Debtors' rights and privileges as lessee under such lease without interference from the landlords thereunder, *provided* that the DIP ABL Agent and/or DIP Term Loan Agent, as applicable, shall be obligated only to pay rent of the Debtors that first accrues after the written notice referenced above and that is payable during the period of such occupancy by the DIP ABL Agent and/or DIP Term Loan Agent, as applicable, calculated on a daily per diem basis. Nothing herein shall require the DIP ABL Agent or DIP Term Loan Agent to assume any lease as a condition to the rights afforded in this paragraph. For the avoidance of doubt, subject to (and without waiver of) the rights of the DIP Agents and/or DIP Lenders under applicable nonbankruptcy law, the DIP Agents and/or DIP Lenders can only enter upon a leased premises after an Event of Default or the Termination Date in accordance with (i) a separate agreement with the landlord at the applicable leased premises, or (ii) upon entry of an order of this Court obtained by motion of the DIP Agents and/or DIP Lenders on such notice to the landlord as shall be required by this Court.

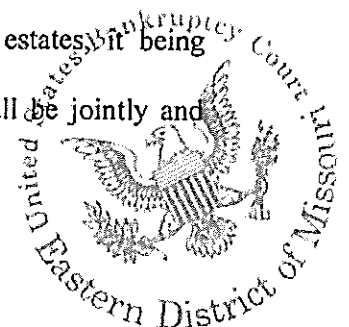
48. Limits on Lender Liability. Subject to entry of a Final Order, nothing in this Interim Order or in any of the DIP ABL Documents, DIP Term Loan Documents, Prepetition Documents, or any other documents related thereto shall in any way be construed or



interpreted to impose or allow the imposition upon the DIP Agents, the DIP Lenders or the Prepetition Secured Parties of any liability for any claims arising from any activities by the Debtors in the operation of their businesses or in connection with the administration of these Cases. The DIP Agents, the DIP Lenders and the Prepetition Secured Parties shall not be deemed in control of the operations of the Debtors or to be acting as a “responsible person” or “owner or operator” with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 29 U.S.C. §§ 9601 *et seq.*, as amended, or any similar federal or state statute). Nothing in this Interim Order, the DIP ABL Documents, or the DIP Term Loan Documents, shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agents, the DIP Lenders, the DIP Term Loan Secured Parties, or any of the Prepetition Secured Parties of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors.

49. Insurance Proceeds and Policies. Upon entry of this Interim Order and to the fullest extent provided by applicable law, the DIP ABL Agent (on behalf of the DIP ABL Lenders), the DIP Term Loan Agent (on behalf of the DIP Term Loan Lenders), the Prepetition Revolver Agent (on behalf of the Prepetition Revolver Lenders), and the Prepetition Term Loan Agents (on behalf of the Prepetition Term Loan Lenders), shall be, and shall be deemed to be, without any further action or notice, named as additional insured and loss payee on each insurance policy maintained by the Debtors that in any way relates to the DIP Collateral.

50. Joint and Several Liability. Nothing in this Interim Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, but being understood, however, that the Lead Borrower, Borrowers and Guarantors shall be jointly and

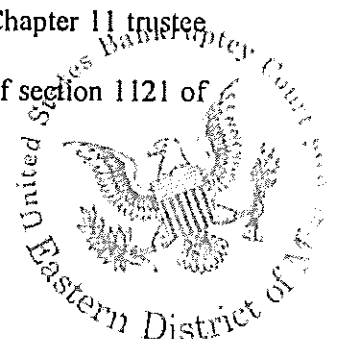


severally liable for the obligations hereunder and all DIP Obligations in accordance with the terms hereof and of the DIP Facilities and the DIP Documents.

51. Unwinding of Pay Down of Prepetition Secured Obligations.

Notwithstanding anything in this Interim Order to the contrary, the Court may unwind, after notice and hearing, any pay down of Prepetition Secured Obligations in the event that there is a timely and successful challenge to the validity, enforceability, extent, perfection, or priority of the applicable Prepetition Secured Party's claims or liens, or a determination that the applicable Prepetition Secured Obligations are under-secured as of the Petition Date, and the pay down of such Prepetition Secured Obligations unduly advantaged the applicable Prepetition Secured Party. Any amount realized from unwinding a paydown of Prepetition Secured Obligations shall be used to prepay DIP ABL Obligations if a paydown of Prepetition Revolver Obligations is unwound and to prepay DIP Term Loan Obligations if a paydown of Prepetition Term Loan Obligations is unwound.

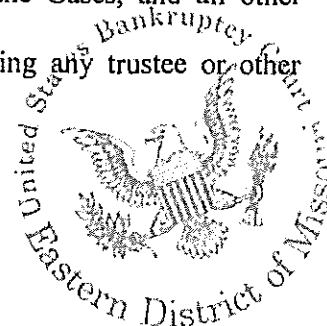
52. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the DIP Agents', DIP Lenders', Prepetition Revolver Parties', and Prepetition Term Loan Parties' right to seek any other or supplemental relief in respect of the Debtors; (b) any of the rights of any of the DIP Agents, DIP Lenders, Prepetition Revolver Parties and/or the Prepetition Term Loan Parties under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Cases or Successor Cases, conversion of any of the Cases to cases under Chapter 7, or appointment of a Chapter 11 trustee or examiner with expanded powers, or (iii) propose, subject to the provisions of section 1121 of



the Bankruptcy Code, a Chapter 11 plan or plans; or (c) subject to the Intercreditor Agreements, any other rights, claims or privileges (whether legal, equitable or otherwise) of any of the DIP Agents, DIP Lenders, Prepetition Revolver Parties or Prepetition Term Loan Parties. Notwithstanding anything herein to the contrary, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, the Debtors', a Creditors' Committee's (if appointed) or any party in interest's right to oppose any of the relief requested in accordance with the immediately preceding sentence except as expressly set forth in this Interim Order. Entry of this Order is without prejudice to any and all rights of any party in interest with respect to the terms and approval of the Final Order and any other position which any party in interest deems appropriate to raise in the Debtors' Chapter 11 cases.

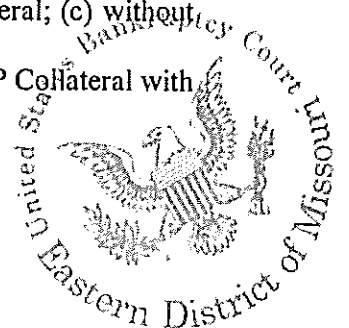
53. No Waiver by Failure to Seek Relief. The failure of the DIP Agents, DIP Lenders, Prepetition Revolver Parties or Prepetition Term Loan Parties to seek relief or otherwise exercise their rights and remedies under this Interim Order, the DIP Documents, the Prepetition Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Agent, DIP Lenders, Prepetition Revolver Parties, Prepetition Term Loan Parties, Creditors' Committee (if appointed) or any party in interest.

54. Binding Effect of Interim Order. Immediately upon execution by this Court, the terms and provisions of this Interim Order shall become valid and binding upon and inure to the benefit of the Debtors, DIP Agents, DIP Lenders, Prepetition Revolver Parties, Prepetition Term Loan Parties, all other creditors of any of the Debtors, any Creditors' Committee (or any other court appointed committee) appointed in the Cases, and all other parties-in-interest and their respective successors and assigns, including any trustee or other



fiduciary hereafter appointed in any of the Cases, any Successor Cases, or upon dismissal of any Case or Successor Case.

55. No Modification of Interim Order. Until and unless the DIP Obligations and the Prepetition Secured Obligations have been indefeasibly paid in full in cash, and all letters of credit under the DIP Facilities shall have been cancelled, backed, or cash collateralized in accordance with the terms thereof (such payment being without prejudice to any terms or provisions contained in the DIP Facilities which survive such discharge by their terms), and all commitments to extend credit under the DIP Facilities have been terminated, the Debtors irrevocably waive the right to seek and shall not seek or consent to, directly or indirectly: (a) without the prior written consent of the DIP Agents and the DIP Lenders (or the Prepetition Agents (acting, in the case of the Prepetition Term Loan Agreements, at the direction of the “Required Lenders” (as defined therein)), (i) any modification, stay, vacatur or amendment to this Interim Order; or (ii) a priority claim for any administrative expense or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation any administrative expense of the kind specified in sections 503(b), 506(c), 507(a) or 507(b) of the Bankruptcy Code) in any of the Cases or Successor Cases, equal or superior to the DIP Superpriority Claims or Adequate Protection Superpriority Claims, other than the Carve Out, the Administration Charge, and the Canadian Unsecured Creditors Charge; (b) without the prior written consent of the DIP Agents (or the Prepetition Agents (acting, in the case of the Prepetition Term Loan Agreements, at the direction of the “Required Lenders” (as defined therein))) for any order allowing use of Cash Collateral (other than as permitted during the Remedies Notice Period) resulting from DIP Collateral or Prepetition Collateral; (c) without the prior written consent of the applicable DIP Agents, any lien on any of the DIP Collateral with



priority equal or superior to the DIP Liens, except as specifically provided in the DIP Documents; or (d) without the prior written consent of the Prepetition Agents (acting, in the case of the Prepetition Term Loan Agreements, at the direction of the “Required Lenders” (as defined therein)), any lien on any of the DIP Collateral with priority equal or superior to the Prepetition Liens or Adequate Protection Liens. The Debtors irrevocably waive any right to seek any amendment, modification or extension of this Interim Order without the prior written consent, as provided in the foregoing, of the DIP Agents (or the Prepetition Agents (acting, in the case of the Prepetition Term Loan Agreements, at the direction of the “Required Lenders” (as defined therein))), and no such consent shall be implied by any other action, inaction or acquiescence of the DIP Agents or the Prepetition Agents (acting, in the case of the Prepetition Term Loan Agreements, at the direction of the “Required Lenders” (as defined therein)).

56. Continuing Effect of Intercreditor Agreements. The Debtors, DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties each shall be bound by, and in all respects of the DIP Facilities shall be governed by, and be subject to all the terms, provisions and restrictions of the Intercreditor Agreements, except as may be expressly modified by this Interim Order. Notwithstanding Section 2.5 of the Intercreditor Agreement, Payless ShoeSource of Puerto Rico, Inc., Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., and Payless ShoeSource Canada LP shall not constitute First Lien Term Credit Parties or Second Lien Term Credit Parties (as each term is defined in the Intercreditor Agreement) and any Property (as defined in the Intercreditor Agreement) of Payless ShoeSource of Puerto Rico, Inc., Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., and Payless ShoeSource Canada LP will constitute DIP ABL Collateral.



57. Interim Order Controls. In the event of any inconsistency between the terms and conditions of the DIP Documents and of this Interim Order, the provisions of this Interim Order shall govern and control.

58. Discharge. The DIP ABL Obligations, the DIP Term Loan Obligations, and the obligations of the Debtors with respect to the adequate protection provided herein shall not be discharged by the entry of an order confirming any plan of reorganization in any of the Cases, notwithstanding the provisions of section 1141(d) of the Bankruptcy Code, unless such obligations have been indefeasibly paid in full in cash, on or before the effective date of such confirmed plan of reorganization, or each of the DIP ABL Agent, DIP Term Loan Agent, DIP ABL Lenders, and DIP Term Loan Lenders, and each of the Prepetition Revolver Agent and the Prepetition Term Loan Lenders, as applicable, has otherwise agreed in writing. None of the Debtors shall propose or support any plan of reorganization or sale of all or substantially all of the Debtors' assets, or order confirming such plan or approving such sale, that is not conditioned upon the indefeasible payment of the DIP ABL Obligations (in the case of the sale of DIP ABL Primary Collateral) and DIP Term Loan Obligations (in the case of the sale of DIP Term Loan Primary Collateral), and the payment of the Debtors' obligations with respect to the adequate protection provided for herein, in full in cash within a commercially reasonable period of time (and in no event later than the effective date of such plan of reorganization or sale) (a "Prohibited Plan or Sale") without the written consent of each of the DIP ABL Agent, DIP Term Loan Agent, DIP ABL Lenders, and DIP Term Loan Lenders, and each of the Prepetition Revolver Agent and the Prepetition Term Loan Lenders, as applicable. For the avoidance of doubt, the Debtors' proposal or support of a Prohibited Plan or Sale, or the entry of an order with respect



thereto, shall constitute an Event of Default hereunder and under the DIP ABL Documents and DIP Term Loan Documents.

59. Survival. The provisions of this Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Cases; (b) converting any of the Cases to a case under Chapter 7 of the Bankruptcy Code; (c) dismissing any of the Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Cases or Successor Cases. The terms and provisions of this Interim Order, including the claims, liens, security interests and other protections granted to the DIP Agents, DIP Lenders, Prepetition Revolver Parties and Prepetition Term Loan Parties granted pursuant to this Interim Order and/or the DIP Documents, shall continue in the Cases, in any Successor Cases, or following dismissal of the Cases or any Successor Cases, and shall maintain their priority as provided by this Interim Order until: (i) in respect of the DIP ABL Credit Facilities, all the DIP ABL Obligations, pursuant to the DIP ABL Documents and this Interim Order, have been indefeasibly paid in full in cash and all letters of credit under the DIP ABL Credit Facilities shall have been cancelled or cash collateralized in accordance with the terms thereof (such payment being without prejudice to any terms or provisions contained in the DIP ABL Credit Facilities which survive such discharge by their terms), and all commitments to extend credit under the DIP ABL Credit Facilities are terminated; (ii) in respect of the Prepetition Revolver Facility, all of the Prepetition Revolver Obligations pursuant to the Prepetition Revolver Documents and this Interim Order, have been indefeasibly paid in full in cash; (iii) in respect of the DIP Term Loan Credit Facility, all the DIP Term Loan Obligations, pursuant to the DIP Term Loan Documents and this Interim Order, have been indefeasibly paid in full in cash; and (iv) in respect of the Prepetition Term Loan Agreement, all

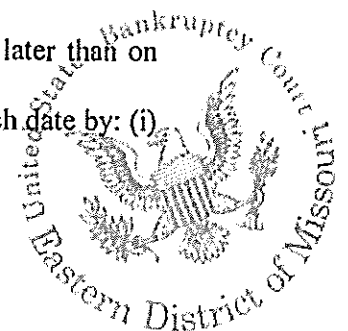


of the Prepetition Term Loan Obligations pursuant to the Prepetition Term Loan Documents and this Interim Order have been indefeasibly paid in full in cash. The terms and provisions concerning the indemnification of the DIP Agents and DIP Lenders shall continue in the Cases, in any Successor Cases, following dismissal of the Cases or any Successor Cases, following termination of the DIP Documents and/or the indefeasible repayment of the DIP Obligations.

In addition, the terms and provisions of this Interim Order shall continue in full force and effect for the benefit of the Prepetition Term Loan Parties notwithstanding the repayment in full or termination of the DIP ABL Obligations or the Prepetition Revolver Obligations.

60. Reserved.

61. Final Hearing. The Final Hearing to consider entry of the Final Order and final approval of the DIP Facilities is scheduled for **May 9, 2017, at 10:00 a.m. (Central Time)** before the Honorable United States Bankruptcy Judge Kathy A. Surratt-States, in Courtroom 7 North, at the United States Bankruptcy Court for the Eastern District of Missouri. On or before April 6, 2017, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order, the proposed Final Order and the DIP Motion, on: (a) the parties having been given notice of the Interim Hearing; (b) any party which has filed prior to such date a request for notices with this Court; (c) counsel for a Creditors' Committee (if appointed); (d) the Securities and Exchange Commission; and (e) the Internal Revenue Service. The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final Order shall file written objections with the Clerk of the Court no later than on **May 2, 2017**, which objections shall be served so as to be received on or before such date by: (i)



counsel to the Debtors, Kirkland & Ellis LLP, 333 South Hope Street, Los Angeles, California 90071, Attn: David M. Nemecek; (ii) counsel to the DIP ABL Agent and Prepetition Revolver Agent, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: Kevin J. Simard (ksimard@choate.com); (iii) counsel to the Tranche A-1 Agent, Schulte Roth & Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris; (iv) counsel to the DIP Term Loan Agent and Prepetition TL First Lien Agent, Norton Rose Fulbright US LLP, 1301 Avenue of the Americas, New York, NY 10019, Attn: H. Stephen Castro; and (v) counsel to the DIP Term Loan Lenders and Prepetition TL First Lien Ad Hoc Group, King & Spalding LLP, 1185 Avenue of the Americas, New York, NY 10036, Attn: Michael C. Rupe and Jeffrey D. Pawlitz.

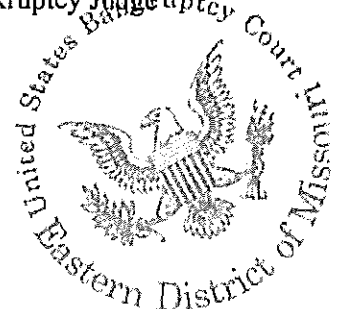
62. Nunc Pro Tunc Effect of this Interim Order. This Interim Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be enforceable nunc pro tunc to the Petition Date immediately upon execution thereof.

63. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

64. No later than two (2) business days after the date of this Interim Order, the Debtors shall serve a copy of the Interim Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

DATED: April 5, 2017
St. Louis, Missouri
jjh

Kathy A. Surratt - States
KATHY A. SURRETT-STATES
Chief United States Bankruptcy Judge



Order Prepared By:

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EXHIBIT 1

Budget



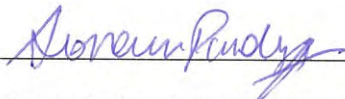
	Feb 1	Feb 2	Feb 3	Feb 4	Feb 5	Feb 6	Feb 7	Feb 8	Feb 9	Feb 10	Feb 11	Feb 12	Feb 13	Total 13-Week Forecast Period
Retail Week: Week Ending:	Apr Wk 1 4/7/17	Apr Wk 2 4/14/17	Apr Wk 3 4/21/17	Apr Wk 4 4/28/17	May Wk 1 5/5/17	May Wk 2 5/12/17	May Wk 3 5/19/17	May Wk 4 5/26/17	Jun Wk 1 6/2/17	Jun Wk 2 6/9/17	Jun Wk 3 6/16/17	Jun Wk 4 6/23/17	Jun Wk 5 6/30/17	
Receipts														
Operating Receipts	\$ 42,509	\$ 40,739	\$ 44,829	\$ 34,607	\$ 35,302	\$ 37,000	\$ 35,547	\$ 35,544	\$ 33,159	\$ 33,055	\$ 30,959	\$ 29,351	\$ 27,249	\$ 459,851
Intercompany / Other Receipts	3,633	5,201	2,433	11,900	4,260	3,583	4,974	7,932	13,379	3,568	2,633	7,782	6,441	77,570
Total Receipts	46,143	45,940	47,262	46,507	39,562	40,584	40,471	43,476	46,538	36,623	33,592	37,133	33,690	537,421
Operating Disbursements														
Payroll & Benefits	(4,477)	(9,592)	(4,444)	(6,603)	(4,429)	(9,851)	(4,561)	(6,525)	(4,604)	(6,729)	(7,326)	(6,740)	(4,480)	(80,360)
Other Operating Expenses	(12,770)	(35,317)	(25,186)	(58,731)	(23,247)	(34,774)	(21,757)	(41,994)	(38,084)	(30,925)	(27,045)	(34,540)	(41,806)	(426,175)
Total Operating Disbursements	(17,247)	(44,909)	(29,630)	(65,333)	(27,676)	(44,625)	(26,318)	(48,519)	(42,688)	(37,654)	(34,371)	(41,280)	(46,286)	(506,535)
Total Operating Cash Flow	\$ 28,896	\$ 932	\$ 17,632	\$ (18,826)	\$ (11,886)	\$ (4,042)	\$ (14,154)	\$ (5,043)	\$ 2,850	\$ (1,031)	\$ (779)	\$ (4,147)	\$ (12,586)	\$ 30,886
Financing Activity														
Financing Activity	\$ (4,200)	\$ -	\$ -	\$ -	\$ (777)	\$ -	\$ 28,500	\$ -	\$ (1,035)	\$ -	\$ -	\$ -	\$ -	\$ 27,485
Total Financing Activity	(4,200)	-	-	-	(777)	-	28,500	-	(1,035)	-	-	-	-	22,468
Restructuring Activity														
Professional Fees ⁽¹⁾	-	-	-	-	-	(1,730)	-	-	-	(4,148)	(1,730)	-	-	(7,608)
Total Restructuring Activity	-	-	-	-	-	(1,730)	-	-	-	(4,148)	(1,730)	-	-	(7,608)
Net Cash Flow	\$ 24,696	\$ 932	\$ 17,632	\$ (18,826)	\$ (11,109)	\$ (5,772)	\$ (42,654)	\$ (5,043)	\$ 2,815	\$ (5,176)	\$ (2,509)	\$ (4,147)	\$ (12,586)	\$ 45,766
Liquidity Schedule														
Cash Schedule														
Beginning Cash Balance	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Net Cash Flow	24,695	932	17,632	(18,826)	11,109	(5,772)	(42,654)	(5,043)	2,815	(5,179)	(2,509)	(4,147)	(12,596)	45,766
Revolver - Draw / (Paydown)	(24,695)	(932)	(17,632)	18,826	(11,109)	5,772	(42,654)	5,043	(2,815)	5,179	2,509	4,147	12,596	(45,766)
Ending Cash Balance	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
ABL Schedule														
Capped Borrowing Base	299,381	287,063	275,945	263,774	260,735	259,098	250,873	242,948	241,644	244,770	243,749	242,727	241,705	241,705
Less: O/S Letters of Credit	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)	(30,500)
Less: Line Reserve	(29,938)	(28,766)	(27,595)	(26,377)	(26,074)	(25,910)	(24,795)	(24,164)	(24,477)	(24,477)	(24,375)	(24,273)	(24,171)	(24,171)
Less: Outstanding Balance	(168,156)	(167,224)	(149,592)	(168,418)	(157,209)	(163,031)	(170,427)	(125,471)	(122,655)	(127,835)	(130,344)	(134,490)	(147,086)	(147,086)
Total ABL Availability	70,787	61,173	68,258	38,479	48,853	39,607	74,859	62,681	64,324	61,958	58,530	53,464	39,949	39,949
Total Liquidity	\$ 72,787	\$ 69,173	\$ 70,258	\$ 40,479	\$ 48,853	\$ 43,627	\$ 76,859	\$ 64,682	\$ 66,324	\$ 61,958	\$ 60,530	\$ 55,464	\$ 41,949	\$ 41,949
Memo:														
TTL Pro. Fees Accruals (excl. Secured Creditors)	\$ 1,277	\$ 3,554	\$ 3,831	\$ 5,108	\$ 6,385	\$ 7,661	\$ 8,939	\$ 10,216	\$ 11,238	\$ 8,111	\$ 9,133	\$ 10,154	\$ 11,176	

(1) The fees of the UCC professionals shall be limited to \$2.0MM for the duration of these cases.



TAB C

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4/6/17

Total # Pages of Document

(with Attachments) : 6

Attest: Dana C. McWay

Clerk of Court, USBC-EDMO

By: J. Will Deputy Clerk

) Case No. 17-42267-659 Date of Certification: 4/6/17

) Chapter 11

) Jointly Administered

) Docket No.: 21



In re: PAYLESS HOLDINGS LLC, et al.,

Debtors.

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO (A) HONOR CERTAIN PREPETITION OBLIGATIONS TO CUSTOMERS AND PARTNERS AND (B) OTHERWISE CONTINUE CERTAIN CUSTOMER AND PARTNERS PROGRAMS IN THE ORDINARY COURSE OF BUSINESS AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order"), (a) authorizing the Debtors to (i) honor certain prepetition obligations to Customers and Programs and (ii) maintain and administer the Customer Programs in the ordinary course of business and in a manner consistent with past practice, and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-

¹ Capitalized terms used but not otherwise defined in this Interim Order shall have the meanings ascribed to them in the Motion or in the First Day Declaration, as applicable.

interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on **May 9, 2017, at 10:00 a.m.**, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on **May 2, 2017**, and shall be served on: (a) proposed counsel to the Debtors; (b) the Office of the United States Trustee for the Eastern District of Missouri; (c) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (d) counsel to the Prepetition ABL Agent; (e) counsel to certain Prepetition ABL Lenders; (f) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (g) counsel to the Prepetition First Lien Term Loan Steering Committee; (h) counsel to the Prepetition Second Lien Term Loan Agent; (i) the DIP ABL Agent; (j) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn. Mark V. Bossi, Esq.); (k) the Tranche A-1 Agent; (l) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (m) the United States Attorney's Office for the Eastern District of Missouri; (n) the Internal Revenue Service; (o) the United States Securities and



Exchange Commission; (p) the state attorneys general for all states in which the Debtors conduct business; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"). In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized, but not directed, to honor and perform their Customer Programs on an interim basis; provided, however, that the Debtors shall honor their Gift Card Program in Stores, including those Stores that are being identified for closure pursuant to the Motion and online; provided, further, however, that the Debtors shall continue to issue and honor their Gift Card Program postpetition in the ordinary course of business.

4. The Debtors are authorized, but not directed, to continue, renew, and replace the Customer Programs on a postpetition basis in the ordinary course of their businesses and consistent with their prepetition practices.

5. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, (a) an admission as to the validity of any prepetition claim against a Debtor entity, (b) a waiver of the Debtors' rights to dispute any prepetition claim of any groups, (c) a promise or a requirement to pay a prepetition claim, (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion, (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code, (f) a waiver or limitation of the Debtors' rights or the rights of any other person under the Bankruptcy Code or any other



applicable law, (g) an admission as to the validity or priority of any claim or lien against the Debtors, or (h) a waiver of the Debtors' rights to subsequently dispute such claim or lien.

6. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, provided that sufficient funds are on deposit and standing in the Debtor's credit in the applicable bank accounts to cover such payments, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order without any duty of further inquiry and without liability for following the Debtors' instructions.

7. The Debtors are authorized to issue postpetition checks, or to affect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the Customer Programs.

8. Nothing contained in the Motion or this Interim Order is intended or should be construed to create an administrative priority claim on account of any Customer Programs.

9. Notwithstanding anything to the contrary contained herein, any payment made or to be made under this Interim Order, any authorization contained in this Interim Order, or any claim for which payment is authorized hereunder, shall be subject to any orders of this Court approving any debtor in possession financing for, or any use of cash collateral by, the Debtors, and any documents providing for such debtor in possession financing and the budget governing such debtor in possession financing and use of cash collateral.

10. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.



11. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).
12. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.
13. No later than two (2) business days after the date of this order, the Debtors shall serve a copy of the Interim Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 6, 2017
St. Louis, Missouri
jjh

Order Prepared By:

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Cristine F. Pirro (*pro hac vice* pending)
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TAB D

THIS IS EXHIBIT "D" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

**Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.**

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT
Main Document
Filed: 4/6/17
Total # Pages of Document
(With Attachments) : 6

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
By: *J. Will*
Deputy Clerk

In re:)
PAYLESS HOLDINGS LLC, *et al.*,) Case No. 17-42267-659
Debtors.) Chapter 11
) Jointly Administered
)
) Docket No.: 10

Date of Certification: 4/6/17

**INTERIM ORDER (I) AUTHORIZING
THE DEBTORS TO (A) CONTINUE INSURANCE
COVERAGE ENTERED INTO PREPETITION AND
SATISFY PREPETITION OBLIGATIONS RELATED
THERETO AND (B) RENEW, SUPPLEMENT, OR PURCHASE
INSURANCE POLICIES, AND (II) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order") (a) authorizing the Debtors to (i) continue insurance coverage entered into prepetition and satisfy payment of prepetition obligations related thereto in the ordinary course of business and (ii) renew, supplement, or purchase insurance coverage in the ordinary course of business; (b) granting related relief; and (c) scheduling a final hearing to consider approval of the Motion on a final basis; all as more fully set forth in the Motion; and upon the First Day Declaration, and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81.901(B)(1) of the Local Bankruptcy Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the

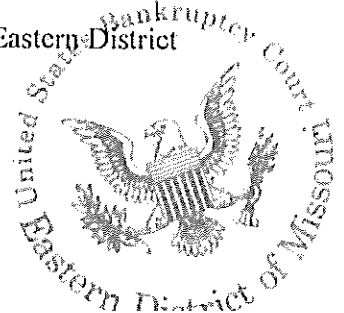
¹ Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to them in the Motion or in the First Day Declaration, as applicable.



Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors provided adequate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on **May 9, 2017, at 10:00 a.m.**, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on **May 2, 2017**, and shall be served on: (a) proposed counsel to the Debtors; (b) the United States Trustee of the Eastern District of Missouri; (c) counsel to the Prepetition ABL Agent; (d) counsel to certain Prepetition ABL Lenders; (e) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (f) counsel to the Prepetition First Lien Term Loan Steering Committee; (g) counsel to the Prepetition Second Lien Term Loan Agent; (h) the DIP ABL Agent; (i) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart LLP (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (j) the Tranche A-1 Agent; (k) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (l) the United States Attorney's Office for the Eastern District



of Missouri; (m) the Internal Revenue Service; (n) the United States Securities and Exchange Commission; (o) the state attorneys general for all states in which the Debtors conduct business; (p) counsel to any statutory committee(s) appointed in these chapter 11 cases; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized to continue the Insurance Policies, including the Insurance Policies identified on Exhibit A to the Motion, and, in their sole discretion, pay any prepetition or postpetition obligations related to the Insurance Policies, including any Brokerage Fees or Insurance Administrator Fees due prior to entry of a Final Order.

4. The Debtors are authorized to renew, amend, supplement, extend, or purchase insurance policies to the extent that the Debtors determine, in their sole discretion, that such action is in the best interest of their estates.

5. Pursuant to this Interim Order, the Debtors are authorized, but not directed, to pay or remit any Premiums that (a) are due and owing as of the Petition Date and (b) become due and owing within 21 days after the Petition Date, in each case, in the ordinary course of business; *provided, however*, the Debtors are not authorized to pay or remit any Deductible Fees in excess of \$10,000 in the aggregate without further order of this Court.

6. Pursuant to this Interim Order, the Debtors are authorized, but not directed, to pay or remit (a) any prepetition Deductible Fees that are due and owing as of the Petition Date, up to \$315,000 and (b) any postpetition Deducible Fees that become due and owing within 21 days after the Petition Date, in each case, in the ordinary course of business.



7. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

8. To the extent that the Debtors have: (a) miscalculated the prepetition amounts due for Premiums, Deductible Fees, and Brokerage Fees; (b) paid an amount that was less than is actually owed; or (c) made any prepetition payments on account of the Insurance Policies that were rejected, lost, or otherwise not received in full by any applicable party, the Debtors are authorized, but not directed, to pay any Premiums, Deductible Fees, and Brokerage Fees that may come due in the ordinary course of business on a postpetition basis.

9. The Debtors are authorized, but not directed, to honor any amounts owed on account of any Insurance Policy Audits in the ordinary course of business.

10. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

11. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Premiums, Deductible Fees, and Brokerage Fees.

12. Notwithstanding anything to the contrary contained herein, any payment made or to be made under this Order, any authorization contained in this Order, or any claim for which payment is authorized hereunder, shall be subject to any orders of this Court approving any



debtor in possession financing for, or any use of cash collateral by, the Debtors, and any documents providing for such debtor in possession financing and the budget governing such debtor in possession financing and use of cash collateral.

13. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

14. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any party in interest.

15. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.

16. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

17. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

18. No later than two (2) business days after the date of this Order, the Debtors shall serve a copy of the Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRETT-STATES
Chief United States Bankruptcy Judge

DATED: April 6, 2017
St. Louis, Missouri
jjh



Order Prepared By:

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T A B L E

THIS IS EXHIBIT “E” REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.



CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT
Filed: 4/6/17
14:40:10 Main Document
Total # Pages of Document
(With Attachments) : 7

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION
Clerk of Court, USBC-EDMO
By: *J. Will*
Deputy Clerk

Attest: Dana C. McWay
Date of Certification: 4/6/17

PAYLESS HOLDINGS LLC, *et al.*,
Debtors.

-)
-) Case No. 17-42267-659
-) Chapter 11
-)
-) Jointly Administered
-)
-) Docket No.: 30, 31

INTERIM ORDER
(A) AUTHORIZING THE DEBTORS
TO PAY CERTAIN PREPETITION CLAIMS OF
(I) CRITICAL VENDORS AND (II) CARRIER, WAREHOUSEMEN,
AND SECTION 503(B)(9) CLAIMANTS AND (B) GRANTING RELATED RELIEF

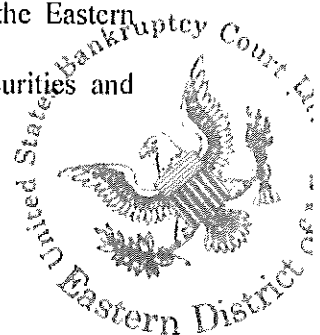
Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order"), (a) authorizing, but not directing, the Debtors to pay prepetition claims held by (i) Critical Vendors; (ii) Carriers and Warehousemen; and (iii) 503(b)(9) Claimants (collectively, the "Vendor Claims") in the aggregate in an amount not to exceed \$52 million on an interim basis; and (b) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rulc 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and this Court having found that the Debtors' notice of

¹ Capitalized terms used but not otherwise defined in this Interim Order shall have the meanings ascribed to such terms elsewhere in the Motion or in the First Day Declaration, as applicable.

the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on **May 9, 2017, at 10:00 a.m.**, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on **May 2, 2017**, and shall be served on: (a) proposed counsel to the Debtors; (b) the Office of the United States Trustee for the Eastern District of Missouri; (c) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (d) counsel to the Prepetition ABL Agent; (e) counsel to certain Prepetition ABL Lenders; (f) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (g) counsel to the Prepetition First Lien Term Loan Steering Committee; (h) counsel to the Prepetition Second Lien Term Loan Agent; (i) the DIP ABL Agent; (j) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (k) the Tranche A-1 Agent; (l) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (m) the United States Attorney's Office for the Eastern District of Missouri; (n) the Internal Revenue Service; (o) the United States Securities and



Exchange Commission; (p) the state attorneys general for all states in which the Debtors conduct business; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized, but not directed, to pay the prepetition Vendor Claims in the ordinary course of business and consistent with their prepetition practices; *provided that* such payments shall not exceed \$52 million in the aggregate unless otherwise ordered by the Court after notice and a hearing.

4. The Debtors are authorized, but not directed, to pay Vendor Claims, in whole or in part, upon such terms and in the manner provided in this Interim Order, and upon such terms as agreed to between the Debtor and the Vendor in the Debtors' sole reasonable business judgment; *provided that* if any party accepts payment hereunder and does not continue supplying goods or services to the Debtors in accordance with the Trade Terms, (a) the Debtors may take any and all appropriate steps to recover from such Vendor any payments made to it on account of its prepetition claim to the extent that such payments exceed the postpetition amounts then owing to such party; (b) upon recovery by the Debtors, any prepetition claim of such party may be reinstated as if the payment on account thereof had not been made; and (c) if an outstanding postpetition balance is due from the Debtors to such party, (i) the Debtors may elect to recharacterize and apply any payment made pursuant to the relief requested by this Motion to such outstanding postpetition balance and (ii) such party will be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding without the right of any setoffs, claims, provisions for payment of any claims, or otherwise.

5. If any Vendor is paid with respect to its Vendor Claim and thereafter does not



continue to provide goods or services to the Debtors in accordance with the Trade Terms, any payments made to the Vendor shall be subject to avoidance under section 549 of the Bankruptcy Code and shall be recoverable by the Debtors in cash upon written request. Upon recovery by the Debtors, the Vendor Claim shall be reinstated as a prepetition claim in the amount recovered.

6. Nothing herein shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Vendor. The Debtors do not concede that any claims satisfied pursuant to this Interim Order are valid, and the Debtors expressly reserve all rights to contest the extent, validity, or perfection or seek the avoidance of all such liens or the priority of such claims.

7. All undisputed obligations related to the Outstanding Orders are granted administrative expense priority in accordance with section 503(b)(1)(A) of the Bankruptcy Code.

8. The Debtors are authorized, but not directed, to pay all undisputed amounts related to the Outstanding Orders in the ordinary course of business consistent with the parties' customary practices in effect prior to the Petition Date.

9. Nothing herein or in the Motion shall be construed to limit, or in any way affect, the Debtors' ability to dispute or contest the amount of, or basis for, any claims against the Debtors arising in connection with the Outstanding Orders.

10. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.



11. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, provided that sufficient funds are on deposit and standing in the Debtors' credit in the applicable bank accounts to cover such payments, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order without any duty of further inquiry and without liability for following the Debtors' instructions.

12. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Vendor Claims.

13. Notwithstanding anything to the contrary contained herein, any payment made or to be made under this Interim Order, any authorization contained in this Interim Order, or any claim for which payment is authorized hereunder, shall be subject to any orders of this Court approving any debtor in possession financing for, or any use of cash collateral by, the Debtors, and any documents providing for such debtor in possession financing and the budget governing such debtor in possession financing and use of cash collateral.

14. Any party who accepts payment in full from the Debtors of a Vendor Claim shall take all actions necessary to remove any mechanics' liens, possessory liens, or similar state law trade liens on the Debtors' assets such party may have based upon such Vendor Claim at such party's sole expense.

15. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.



16. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

17. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

18. No later than two (2) business days after the date of this order, the Debtors shall serve a copy of the Interim Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 6, 2017
St. Louis, Missouri
jjh



Order Prepared By:

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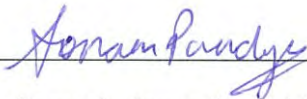
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T A B F

THIS IS EXHIBIT "F" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT
UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI Filed: 4/5/17

EASTERN DIVISION Total # Pages of Document
(With Attachments) : 11

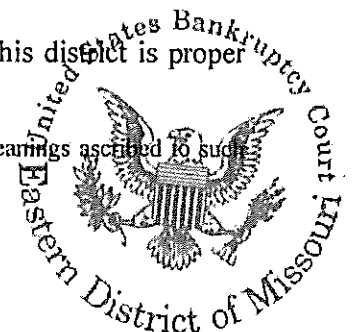
In Re:)
)
Payless Holdings LLC, et al.,)
)
)
)
Debtors.)

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Case No. 17-42267-659
Chapter 11 By: Ashley D. Dwyer
Deputy Clerk
Date of Certification: 4/6/17
Jointly Administered

**INTERIM ORDER (I) AUTHORIZING
THE DEBTORS TO (A) CONTINUE USING THE
CASH MANAGEMENT SYSTEM AND (B) MAINTAIN
EXISTING BANK ACCOUNTS AND BUSINESS FORMS;
(II) AUTHORIZING CONTINUED INTERCOMPANY TRANSACTIONS;
(III) GRANTING ADMINISTRATIVE EXPENSE STATUS TO POST-
PETITION INTERCOMPANY PAYMENTS; AND (IV) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order" or "Order") (a) authorizing, but not directing, the Debtors to (i) continue to operate the Debtors' cash management system, (ii) honor certain prepetition obligations related thereto, (iii) maintain existing business forms, and (iv) continue to maintain business relationships with each other and with non-Debtor affiliates consistent with historical practice; and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81.901(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper

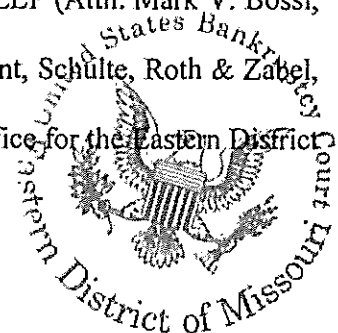
¹ Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to such terms in the Motion or in the First Day Declaration, as applicable.



pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

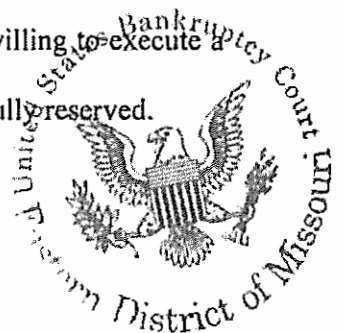
1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on May 9, 2017, at 10:00 a.m., prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on May 2, 2017, and shall be served on: (a) proposed counsel to the Debtors; (b) the United States Trustee of the Eastern District of Missouri; (c) counsel to the Prepetition ABL Agent; (d) counsel to certain Prepetition ABL Lenders; (e) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (f) counsel to the Prepetition First Lien Term Loan Steering Committee; (g) counsel to the Prepetition Second Lien Term Loan Agent; (h) the DIP ABL Agent; (i) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart LLP (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (j) the Tranche A-1 Agent; (k) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (l) the United States Attorney's Office for the Eastern District



of Missouri; (m) the Internal Revenue Service; (n) the United States Securities and Exchange Commission; (o) the state attorneys general for all states in which the Debtors conduct business; (p) counsel to any statutory committee(s) appointed in these chapter 11 cases; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized but not directed to, on an interim basis and in their sole discretion: (a) continue using the Cash Management System and honor any prepetition obligations related to the use thereof; (b) designate, maintain, close, and continue to use on an interim basis any or all of their existing Bank Accounts, including, but not limited to, the Bank Accounts identified on **Exhibit B** attached to the Motion, in the names and with the account numbers existing immediately before the Petition Date; (c) deposit funds in and withdraw funds from the Bank Accounts by all means, including checks, wire transfers, ACH transfers, and other debits; (d) treat their prepetition Bank Accounts for all purposes as debtor in possession accounts; and (e) open new debtor in possession Bank Accounts; *provided that*, in the case of each of (a) through (e), such action is taken in the ordinary course of business and consistent with prepetition practices.

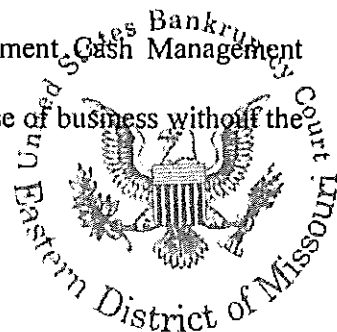
4. For banks at which the Debtors hold Bank Accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee, the Debtors shall use their good-faith effort to cause the banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within 30 days of the Petition Date. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.



5. The Debtors are authorized to deposit their cash in the Bank Accounts consistent with their prepetition practices and the Cash Management System. The Debtors are relieved from the obligations under section 345(b) of the Bankruptcy Code and the requirements of the U.S. Trustee Guidelines to obtain a bond from any entity with which money is deposited or maintained in the Bank Accounts.

6. The Debtors are authorized, but not directed, on an interim basis and in their sole discretion, to continue using, in their present form, the Business Forms, as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, including electronic versions of the Debtors' Business Forms, checks, and other documents related to the Bank Accounts.

7. Except as otherwise provided in this Interim Order and only to the extent sufficient funds standing in the Debtors' credit are available in each applicable Bank Account, all Cash Management Banks at which the Bank Accounts are maintained are authorized, but not directed, to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business, consistent with prepetition practices, and to receive, process, honor, and pay any and all checks, drafts, wire transfers, and ACH and other transfers issued, whether before or after the Petition Date, and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided that* the Debtors will instruct the Cash Management Banks as to which checks, drafts, wire transfers (excluding any wire transfers or ACH Transactions that the Cash Management Banks are obligated to settle), or other items presented, issued, or drawn, shall not be honored. Each of the Debtors' existing depository and disbursement, Cash Management Banks is authorized to debit the Debtors' accounts in the ordinary course of business without the



need for further order of this Court for: (a) all checks drawn on the Debtors' Bank Accounts which are cashed at such Cash Management Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' Bank Accounts with such Cash Management Bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Cash Management Bank as service charges for the maintenance of the Cash Management System.

8. Except for those checks, drafts, wires or other ACH transfers that are authorized or required to be honored under an order of the Court, no Debtor shall instruct or request any Cash Management Bank to pay or honor any check, draft, or other payment item issued on a Bank Account prior to the Petition Date but presented to such Cash Management Bank for payment after the Petition Date.

9. Except as otherwise provided in this Interim Order, the Cash Management Banks are authorized to charge, and the Debtors are authorized, but not directed, to pay, honor, or allow, prepetition and postpetition fees, costs, charges, and expenses, including the Bank Fees, and charge back returned items, whether such items were deposited prepetition or postpetition, to the Bank Accounts in the ordinary course of business and consistent with prepetition practices. Any such postpetition fees, costs, charges, and expenses, including the Bank Fees, or charge-backs that are not so paid shall be entitled to priority as administrative expenses pursuant to section 503(b)(1) of the Bankruptcy Code.



10. The Debtors' credit card processors are authorized to process payments in the ordinary course of business, including the netting out of any fees and/or chargebacks whether arising before or after the Petition Date.

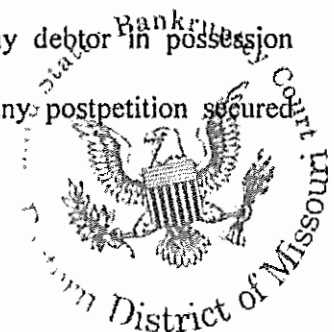
11. Any payment that is authorized by the Debtors and paid from a Bank Account by a Cash Management Bank before the Petition Date (including any ACH payment such Cash Management Bank is or becomes obligated to settle), any instruments issued by such Cash Management Bank on behalf of any Debtor pursuant to a "midnight deadline" or otherwise, or any reimbursement or charge back for any coin and currency orders provided by the Cash Management Banks prior to the Petition Date shall be deemed to be paid prepetition, whether or not actually debited from the Bank Account prepetition.

12. As soon as practicable after entry of this Interim Order, the Debtors shall cause a copy of this Interim Order to be served on the Cash Management Banks.

13. The U.S. Trustee Guidelines' requirement to establish separate accounts for tax payments is hereby waived.

14. With respect to Postpetition Intercompany Transactions occurring in the ordinary course of business (including with respect to netting or setoffs), the Debtors are authorized, but not directed, to continue such practices in the ordinary course of business.

15. Pursuant to sections 503(b)(1) and 364(b) of the Bankruptcy Code, all valid postpetition payments on account of a Postpetition Intercompany Transaction made in the ordinary course by (a) a Debtor to another Debtor or (b) a non-Debtor affiliate to a Debtor, shall in each case be accorded administrative expense status, subject and junior to the claims, including adequate protection claims, granted in connection with any debtor in possession financing in accordance with any order(s) of this Court approving any postpetition secured



debtor in possession financing and/or the use of cash collateral, except to the extent such Postpetition Intercompany Transactions are on account of antecedent debts.

16. Unless prohibited by applicable law, transfers made by a Debtor to a non-Debtor affiliate pursuant to a Postpetition Intercompany Transaction shall be deemed a claim against, and loan to, such non-Debtor affiliate (and not a contribution of capital), except to the extent such Postpetition Intercompany Transactions are on account of antecedent debts.

17. Except as otherwise set forth herein, those certain existing deposit agreements between the Debtors' Cash Management Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Cash Management Banks, and all provisions of such agreements, including without limitation, the termination and fee provisions, shall remain in full force and effect. Either the Debtors or the Cash Management Banks may, subject to the entry of the Final Order, implement changes to the Cash Management System and procedures in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including, without limitation, the opening and closing of Bank Accounts.

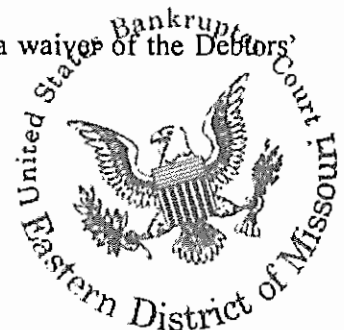
18. The Debtors are authorized to open new bank accounts, so long as any such new account is: (a) with one of the Debtors' existing Cash Management Banks or with a bank that is (i) insured with the FDIC and (ii) designated as an authorized depository by the U.S. Trustee pursuant to the U.S. Trustee Guidelines; and (b) the Debtors provide notice to the U.S. Trustee and the Notice Parties of the opening of such account; *provided that* each account opened by any of the Debtors on or after the Petition Date at any bank shall, for purposes of this Interim Order, be deemed a Bank Account as if it had been listed on Exhibit B attached to the Motion, and the bank at which such new account is maintained shall, for purposes of this Interim Order, be deemed a Cash Management Bank.



19. Nothing contained herein shall prevent the Debtors from closing any Bank Accounts as they may deem necessary and appropriate, to the extent consistent with any orders of this Court relating thereto, and any relevant Cash Management Bank is instructed to honor the Debtors' requests to close such Bank Accounts, and the Debtors shall give notice of the closure of any Bank Account to the U.S. Trustee and the notice parties.

20. Notwithstanding any other provision of this Interim Order, should any Cash Management Bank honor a prepetition check or other item drawn on any account that is the subject of this Interim Order: (a) at the direction of the Debtors to honor such prepetition check or item, (b) in a good faith belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, such Cash Management Bank shall not be deemed to be nor shall be liable to the Debtors, their estates or any other person or entity, or otherwise be in violation of this Interim Order. Any of the Debtors' Cash Management Banks may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this or any other order of the Court, and such Cash Management Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

21. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, and subject to the administrative status afforded pursuant to Paragraph 14 of this Interim Order, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors'



rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

22. If no objections to the relief granted herein on a permanent basis are timely served and filed in accordance with this Interim Order, the Court may enter a final order granting the relief herein without further notice or hearing.

23. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

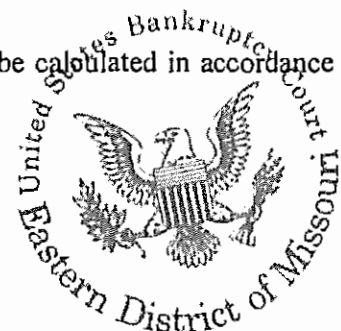
24. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion.

25. Notwithstanding anything to the contrary contained in this Interim Order, any payment made or to be made under this Interim Order, any authorization contained in this Interim Order, or any claim for which payment is authorized hereunder, shall be subject to any orders of this Court approving any debtor in possession financing for, or any use of cash collateral by, the Debtors, and any documents providing for such debtor in possession financing and the budget governing such debtor in possession financing and use of cash collateral.

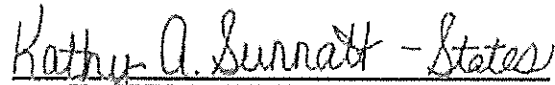
26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

27. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

28. All time periods set forth in this Interim Order shall be calculated in accordance with Bankruptcy Rule 9006(a).



29. No later than two (2) business days after the date of this Order, the Debtors shall serve a copy of the Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.


KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 5, 2017
St. Louis, Missouri

Order Prepared By:

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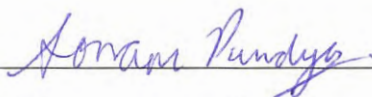


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Facsimile: (312) 862-2200
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TAB G

THIS IS EXHIBIT "G" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

Filed: 4/5/17

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

Total # Pages of Document
(With Attachments) : 4

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

By: [Signature]
Deputy Clerk

In Re:)
)
Payless Holdings LLC, et al.,)
)
)
)
Debtors.)

Case No. 17-42267-651 Date of Filing: 4/6/17
Chapter 11
Jointly Administered

**ORDER (I) DIRECTING JOINT ADMINISTRATION
OF CHAPTER 11 CASES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"): (a) directing the joint administration of the Debtors' chapter 11 cases for procedural purposes only and (b) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81.901(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties-in-interest; and this Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief

¹ Capitalized terms used in this Order and not immediately defined have the meanings given to such terms in the Motion or in the First Day Declaration, as applicable.



requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by this Court under Case No. 17-42267-659.
3. The caption of the jointly administered cases should read as follows:

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In Re:)	
)	
Payless Holdings LLC, <i>et al.</i> ,)	Case No. 17-42267-659
)	Chapter 11
)	
Debtors.)	Jointly Administered

4. The foregoing caption satisfies the requirements set forth in Section 342(e)(1) of the Bankruptcy Code.

5. A docket entry, substantially similar to the following, shall be entered on the docket of each of the Debtors other than Payless Holdings LLC, to reflect the joint administration of these chapter 11 cases:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the joint administration of the chapter 11 cases of: Payless Holdings LLC; Payless Intermediate Holdings LLC; WBG-PSS Holdings LLC; Payless Inc.; Payless Finance, Inc.; Collective Brands Services,



Inc.; PSS Delaware Company 4, Inc.; Shoe Sourcing, Inc.; Payless ShoeSource, Inc.; Eastborough, Inc.; Payless Purchasing Services, Inc.; Payless ShoeSource Merchandising, Inc.; Payless Gold Value CO, Inc.; Payless ShoeSource Distribution, Inc.; Payless ShoeSource Worldwide, Inc.; Payless NYC, Inc.; Payless ShoeSource of Puerto Rico, Inc.; Payless Collective GP, LLC; Collective Licensing, L.P.; Collective Licensing International, LLC; Clinch, LLC; Collective Brands Franchising Services, LLC; Payless International Franchising, LLC; Collective Brands Logistics Limited; Dynamic Assets Limited; PSS Canada, Inc.; Payless ShoeSource Canada Inc.; Payless ShoeSource Canada GP Inc.; and Payless ShoeSource Canada LP. All further pleadings and other papers shall be filed in and all further docket entries shall be made in Case No. 17-42267-659.

6. One consolidated docket, one file, and one consolidated service list shall be maintained by the Debtors and kept by the Clerk of the Court.

7. The Debtors may file their monthly operating reports required by the *Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees*, issued by the U.S. Trustee, by consolidating the information required for each Debtor in one report that tracks and breaks out all of the specific information (*e.g.*, receipts, disbursements, etc.) on a debtor-by-debtor basis in each monthly operating report.

8. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of these chapter 11 cases and this Order shall be without prejudice to the rights of the Debtors to seek entry of an order substantively consolidating their respective cases.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of the local rules of this Court are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.



11. No later than two (2) business days after entry of this Order, the Debtors shall serve a copy of this Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 5, 2017
St. Louis, Missouri

Order Prepared By:

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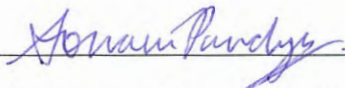
SCHEDULE 1

	Debtor's Name
1.	Payless Holdings LLC
2.	Payless Intermediate Holdings LLC
3.	WBG-PSS Holdings LLC
4.	Payless Inc.
5.	Payless Finance, Inc.
6.	Collective Brands Services, Inc.
7.	PSS Delaware Company 4, Inc.
8.	Shoe Sourcing, Inc.
9.	Payless ShoeSource, Inc.
10.	Eastborough, Inc.
11.	Payless Purchasing Services, Inc.
12.	Payless ShoeSource Merchandising, Inc.
13.	Payless Gold Value CO, Inc.
14.	Payless ShoeSource Distribution, Inc.
15.	Payless ShoeSource Worldwide, Inc.
16.	Payless NYC Inc.
17.	Payless ShoeSource of Puerto Rico, Inc.
18.	Payless Collective GP, LLC
19.	Collective Licensing, L.P.
20.	Collective Licensing International, LLC
21.	Clinch, LLC
22.	Collective Brands Franchising Services, LLC
23.	Payless International Franchising, LLC
24.	Collective Brands Logistics, Limited
25.	Dynamic Assets Limited
26.	PSS Canada, Inc.
27.	Payless ShoeSource Canada Inc.
28.	Payless ShoeSource Canada GP Inc.
29.	Payless ShoeSource Canada LP



TAB H

THIS IS EXHIBIT “H” REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017

A handwritten signature in blue ink that reads "Sonam Pandya". The signature is written in a cursive style and is positioned above a horizontal line.

A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

UNITED STATES BANKRUPTCY COURT 4/5/17
EASTERN DISTRICT OF MISSOURI Pages of Document
EASTERN DIVISION (with Attachments) : 8

In Re:)
)
Payless Holdings LLC, et al.,)
)
)
)
Debtors.)

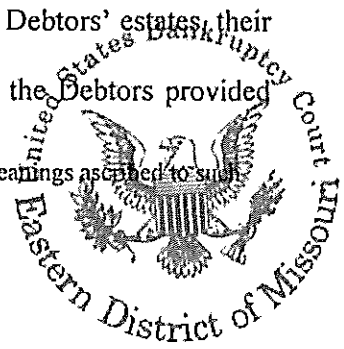
Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

By: [Signature]
Case No. 17-42267-059 Deputy Clerk
Chapter 11
Date of Certification: 4/6/17
Jointly Administered

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO (A) PAY PREPETITION WAGES, SALARIES, OTHER COMPENSATION, AND REIMBURSABLE EXPENSES AND (B) CONTINUE EMPLOYEE BENEFITS PROGRAMS, AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order"), (a) authorizing, but not directing, the Debtors to (i) pay prepetition wages, salaries, other compensation, and reimbursable expenses, and (ii) continue employee benefits programs in the ordinary course of business, including payment of certain prepetition obligations related thereto, and (b) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81.901(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors provided

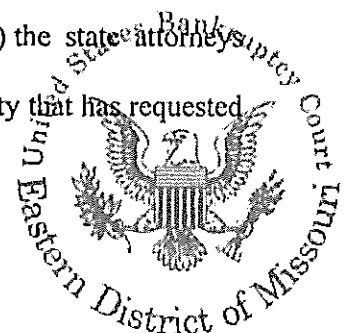
¹ Capitalized terms used but not otherwise defined in this Motion shall have the meanings ascribed to such terms elsewhere in this Motion or in the First Day Declaration, as applicable.



appropriate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

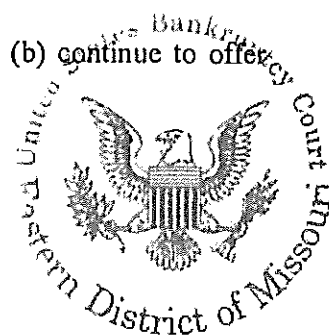
1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on May 9, 2017, at 10:00 am, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on May 2, 2017, and shall be served on: (a) the Office of the United States Trustee for the Eastern District of Missouri; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the Prepetition ABL Agent; (d) counsel to certain Prepetition ABL Lenders; (e) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (f) counsel to the Prepetition First Lien Term Loan Steering Committee; (g) counsel to the Prepetition Second Lien Term Loan Agent; (h) the DIP ABL Agent; (i) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (j) the Tranche A-1 Agent; (k) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (l) the United States Attorney's Office for the Eastern District of Missouri; (m) the Internal Revenue Service; (n) the United States Securities and Exchange Commission; (o) the state attorneys general for all states in which the Debtors conduct business; and (q) any party that has requested



notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. The Debtors are authorized, but not directed, to continue and modify the Employee Compensation and Benefits and to pay and honor prepetition amounts related thereto in an aggregate interim amount not to exceed \$21,414,413.00 in each case in the ordinary course of business and consistent with their prepetition practices; *provided that*, pending entry of the Final Order, the Debtors shall not pay or honor any Employee Compensation and Benefits obligations that exceed the priority amounts set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code, and shall not pay or honor any prepetition amounts on account of Reimbursable Expense, any of the Corporate Credit Cards, or any of the Corporate Purchasing Cards that exceed the priority amounts set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code; *provided further* that pending entry of the Final Order, nothing herein shall be deemed to authorize the payment of any prepetition or postpetition amounts on account of, or the postpetition continuation of, any Additional Compensation Opportunities or Non-Insider Severance Obligations; with the exception of payments under the Distribution Center Incentive Plans, the Non-Insider Canada Severance Program, and the Non-Insider Asia Severance Plan, as applicable; *provided, further*, that nothing in this Interim Order shall be deemed to authorize the payment of any amounts that are subject to section 503(c) of the Bankruptcy Code.

4. Nothing in this Interim Order shall be deemed to authorize the Debtors to: (a) pay any amounts to Insiders on account of the Additional Compensation Opportunities, Non-Insider Severance Obligations, or any other incentive compensation program or (b) continue to offer



Additional Compensation Opportunities, Non-Insider Severance Obligations, or any other incentive compensation program.

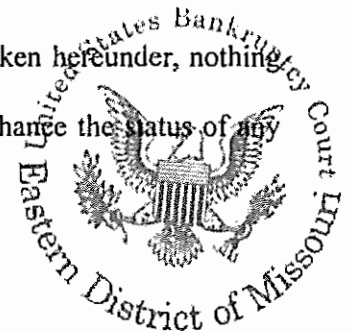
5. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

6. Pursuant to section 362(d) of the Bankruptcy Code: (a) Employees are authorized to proceed with their workers' compensation claims in the appropriate judicial or administrative forum under the U.S. Workers' Compensation Program and the Canada Workers' Compensation Program, and the Debtors are authorized to pay all prepetition amounts relating thereto in the ordinary course of business; and (b) the notice requirements pursuant to Bankruptcy Rule 4001(d) with respect to clause (a) of this paragraph 6 are waived. This modification of the automatic stay pertains solely to claims under the U.S. Workers' Compensation Program and Canada Workers' Compensation Program.

7. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

8. Nothing in the Motion or this Interim Order shall impair the Debtors' or any other party-in-interest's ability to contest the validity or amount of any payment made pursuant to this Interim Order.

9. Notwithstanding the relief granted herein or any action taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any



claim held by, any Employee, Independent Contractor, Temporary Worker, Temporary Staffing Agency, or other person or entity.

10. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

11. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Employee Compensation and Benefits.

12. Notwithstanding the relief granted in this Interim Order, any payment made by the Debtors pursuant to the authority granted herein shall be subject to the orders approving entry into debtor-in-possession financing and authorizing use of cash collateral.

13. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.

14. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

15. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.



16. No later than 2 days after the date of this Interim Order, the Claims and Noticing Agent is directed to serve a copy of the Interim Order on all parties listed below and is directed to file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 5, 2017
St. Louis, Missouri

Order Prepared by:

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William A. Guerrieri (*pro hac vice* pending)
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Kirkland & Ellis International LLP
300 North LaSalle Street
Chicago, Illinois 60654



Telephone: (312) 862-2000
Facsimile: (312) 862-2200
Email: will.guerrieri@kirkland.com





TAB I

THIS IS EXHIBIT "I" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.



CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Total # Pages of Document (With Attachments) : 6

Attest: Dana C. McWay Clerk of Court, USBC-EDMO

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION

By: [Signature] Deputy Clerk Date of Certification: 4/6/17

In re:) Case No. 17-42267-659
PAYLESS HOLDINGS LLC, et al.,) Chapter 11
Debtors.) Jointly Administered
) Docket No.: 11

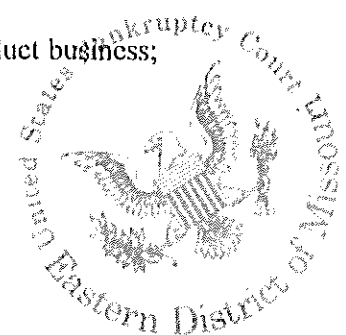
INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO CONTINUE AND RENEW THE SURETY BOND PROGRAM ON AN UNINTERRUPTED BASIS, AND (II) GRANTING RELATED RELIEF

Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order" or "Order"), (a) authorizing the Debtors to continue and renew the Surety Bond Program on an uninterrupted basis; (b) granting related relief; and (c) scheduling a final hearing to consider approval of the Motion on a final basis; all as more fully set forth in the Motion; and upon the First Day Declaration, and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81.901(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the

¹ Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to such terms in the Motion or in the First Day Declaration, as applicable.

Debtors provided adequate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on **May 9, 2017, at 10:00 a.m.**, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on **May 2, 2017**, and shall be served on: (a) proposed counsel to the Debtors; (b) the United States Trustee of the Eastern District of Missouri; (c) counsel to the Prepetition ABL Agent; (d) counsel to certain Prepetition ABL Lenders; (e) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (f) counsel to the Prepetition First Lien Term Loan Steering Committee; (g) counsel to the Prepetition Second Lien Term Loan Agent; (h) the DIP ABL Agent; (i) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart LLP (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (j) the Tranche A-1 Agent; (k) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (l) the United States Attorney's Office for the Eastern District of Missouri; (m) the Internal Revenue Service; (n) the United States Securities and Exchange Commission; (o) the state attorneys general for all states in which the Debtors conduct business;



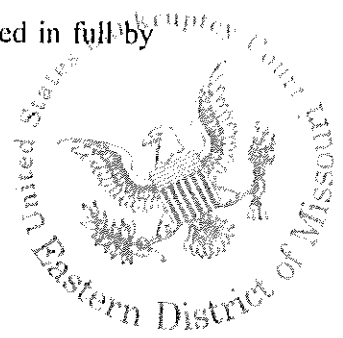
(p) counsel to any statutory committee(s) appointed in these chapter 11 cases; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. Pursuant to this Interim Order, the Debtors are authorized, but not directed to maintain the Surety Bond Program without interruption, including the payment of Premiums, performance under the Surety Indemnity Agreements (including providing collateral security), and payment of Brokerage Fees that (a) are due and owing as of the Petition Date and (b) become due and owing within 21 days after the Petition Date, in each case, in the ordinary course of business and consistent with their prepetition practices.

4. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

5. In the event any of the bonds under the Surety Bond Program lapse or modification to said Program is required or necessary, subject to further Court order, the Debtors are authorized, but not directed, to renew bonds as they expire; revise, supplement, and/or change the surety bonds as necessary; purchase new surety bonds as necessary; perform under the Surety Indemnity Agreements (including providing collateral security); and replace the Surety Brokers as is necessary, on a postpetition basis, in each case in the ordinary course of business and consistent with their prepetition practices.

6. To the extent that the Debtors have: (a) miscalculated the outstanding prepetition premium amounts and Brokerage Fees; (b) paid an amount that was less than is actually owed; or (c) made any prepetition payments that were rejected, lost, or otherwise not received in full by



the Sureties, the Debtors are authorized, but not directed, to pay any premiums and Brokerage Fees that may come due in the ordinary course of business on a postpetition basis.

7. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

8. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

9. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any party in interest.

10. The Debtors are authorized to issue postpetition checks, or to affect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Premiums and Brokerage Fees.



Order Prepared By:

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Telephone: (312) 862-2000
Facsimile: (312) 862-2200
Email: will.guerrieri@kirkland.com



TAB J

THIS IS EXHIBIT "J" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.



Case 17-42267

Doc 91

Filed 04/06/17

Entered 04/06/17 14:30:27

Main Document

Pg 1 of 6

CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4/6/17

Total # Pages of Document (With Attachments) : 6

Attest: Dana C. McWay Clerk of Court, USBC-EDMO

By: [Signature] Deputy Clerk

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MISSOURI EASTERN DIVISION

In re:

PAYLESS HOLDINGS LLC, et al.,

Debtors.

) Case No. 17-42267-659 Date of Certification: 4/6/17;
) Chapter 11
) Jointly Administered
) Docket No.: 12

INTERIM ORDER (I) AUTHORIZING THE PAYMENT OF CERTAIN PREPETITION TAXES AND FEES AND (II) GRANTING RELATED RELIEF

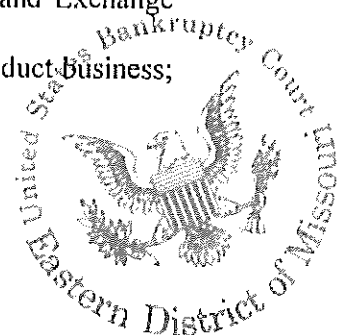
Upon the motion (the "Motion")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an interim order (this "Interim Order") (a) authorizing the Debtors to remit and pay certain taxes and fees accrued prior to the Petition Date that will become payable during the pendency of these chapter 11 cases, including those obligations subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date; (b) granting related relief; and (c) scheduling a final hearing to consider approval of the Motion on a final basis; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their

¹ Capitalized terms used but not otherwise defined in this Order shall have the meanings ascribed to such terms in the Motion or in the First Day Declaration, as applicable.

creditors, and other parties-in-interest; and this Court having found that the Debtors provided adequate notice of the Motion and the opportunity for a hearing under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is

HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on **May 9, 2017, at 10:00 a.m.**, prevailing Central Time. Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Central Time, on **May 2, 2017**, and shall be served on: (a) proposed counsel to the Debtors; (b) the United States Trustee of the Eastern District of Missouri; (c) counsel to the Prepetition ABL Agent; (d) counsel to certain Prepetition ABL Lenders; (e) counsel to the Prepetition First Lien Term Loan Agent and the DIP Term Loan Agent; (f) counsel to the Prepetition First Lien Term Loan Steering Committee; (g) counsel to the Prepetition Second Lien Term Loan Agent; (h) the DIP ABL Agent; (i) co-counsel to the DIP ABL Agent, Choate, Hall & Stewart LLP (Attn: Kevin J. Simard, Esq. and Douglas R. Gooding, Esq.) and Thompson Coburn LLP (Attn: Mark V. Bossi, Esq.); (j) the Tranche A-1 Agent; (k) counsel to the Tranche A-1 Agent, Schulte, Roth & Zabel, LLP (Attn: Adam C. Harris, Esq.); (l) the United States Attorney's Office for the Eastern District of Missouri; (m) the Internal Revenue Service; (n) the United States Securities and Exchange Commission; (o) the state attorneys general for all states in which the Debtors conduct business;



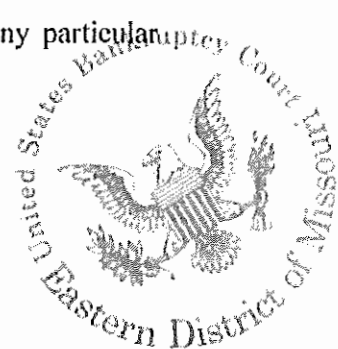
(p) counsel to any statutory committee(s) appointed in these chapter 11 cases; and (q) any party that has requested notice pursuant to Bankruptcy Rule 2002. In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing.

3. Pursuant to this Interim Order, the Debtors are authorized, but not directed, to pay or remit the Taxes and Fees that (a) are due and owing as of the Petition Date and (b) become due and owing within 21 days after the Petition Date, in each case, in the ordinary course of business; *provided, however*, the Debtors are not authorized to pay or remit any prepetition Taxes and Fees in excess of \$11,385,000 in the aggregate without further order of this Court.

4. Nothing in this Interim Order authorizes the Debtors to accelerate any payments not otherwise due prior to the date of the Final Hearing.

5. To the extent that the Debtors have: (a) miscalculated the prepetition amounts due for Taxes and Fees; (b) paid an amount that was less than is actually owed; or (c) made any prepetition payments that were rejected, lost, or otherwise not received in full by any applicable Authority, the Debtors are authorized, but not directed, to pay any prepetition Taxes and Fees that may come due in the ordinary course of business on a postpetition basis.

6. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized, but not directed, to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, provided that sufficient funds are on deposit and standing in the Debtors' credit in the applicable bank accounts to cover such payments, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular



check or electronic payment request as approved by this Interim Order without any duty of further inquiry and without liability for following the Debtors' instructions.

7. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' rights to subsequently dispute such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

8. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Interim Order shall create any rights in favor of, or enhance the status of any claim held by, any party in interest.

9. The Debtors are authorized to issue postpetition checks, or to affect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any Taxes and Fees.

10. Notwithstanding anything to the contrary contained herein, any payment made or to be made under this Order, any authorization contained in this Order, or any claim for which payment is authorized hereunder, shall be subject to any orders of this Court approving any debtor in possession financing for, or any use of cash collateral by, the Debtors, and any documents providing for such debtor in possession financing and the Budget governing such debtor in possession financing and use of cash collateral.

11. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003.



12. Notice of the Motion satisfies the requirements set forth in Bankruptcy Rule 6004(a).

13. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

14. No later than two (2) business days after the date of this Order, the Debtors shall serve a copy of the Order on the Notice Parties and shall file a certificate of service no later than 24 hours after service.

Kathy A. Surratt - States
KATHY A. SURRATT-STATES
Chief United States Bankruptcy Judge

DATED: April 6, 2017
St. Louis, Missouri
jjh

Order Prepared By:

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Email: cristine.pirro@kirkland.com
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William A. Guerrieri (*pro hac vice* pending)
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Kirkland & Ellis International LLP
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Facsimile: (312) 862-2200
Email: will.guerrieri@kirkland.com



TAB K

THIS IS EXHIBIT "K" REFERRED TO IN THE
AFFIDAVIT OF LIPI MISHRA
SWORN BEFORE ME THIS
7th DAY OF APRIL, 2017



A Commissioner for Taking Affidavits

Sonam Pandya,
a Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 14, 2018.

Fill in this information to identify the case:	
United States Bankruptcy Court for the:	
Eastern District of Missouri (State)	
Case number (if known): _____	Chapter <u>11</u>

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Collective Brands Services, Inc.

Total # Pages of Document
(With Attachments) : 62

2. All other names debtor used in the last 8 years PSS Delaware Company 3, Inc.

Attest: Dana C. McWay

Include any assumed names, trade names, and doing business as names

Clerk of Court, USBC-EDMO

By: Mary DeBelle
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 48-1227266

Date of Certification: 4/5/17

4. Debtor's address Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue
Number Street

Number Street

Topeka KS 66607-2207
City State Zip Code

P.O. Box

8
City State Zip Code

Location of principal assets, if different from principal place of business

Shawnee
County

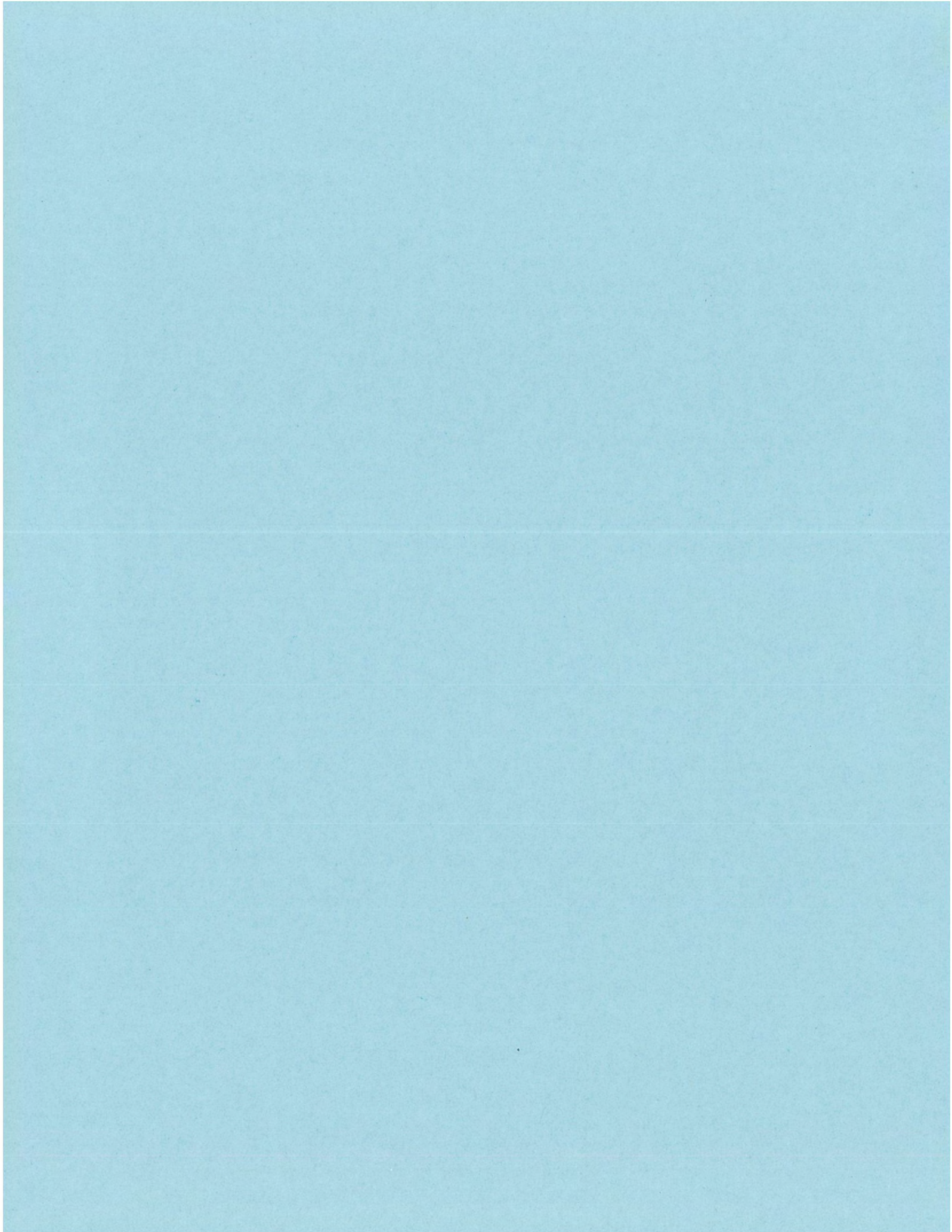
Number Street

City State Zip Code

5. Debtor's website (URL) http://www.payloss.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:	
United States Bankruptcy Court for the:	
Eastern District of Missouri (State)	
Case number (if known): _____	Chapter <u>11</u>

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Collective Brands Logistics, Limited

Filed: 4/4/17

2. All other names debtor used in the last 8 years

Total # Pages of Document (With Attachments) : 62

Include any assumed names, trade names, and doing business as names

Attest: Dana C. McWay
Clerk of Court, USBC EDMO

By: Mary Probst
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 98-0546466

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue
Number Street

Number Street

Topoka KS 66607-2207
City State Zip Code

P.O. Box

City State Zip Code

Location of principal assets, if different from principal place of business

Shawnee
County

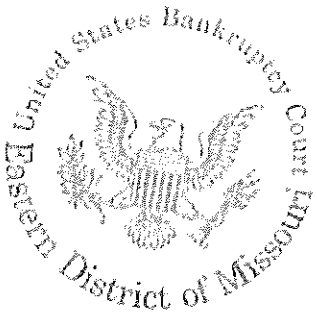
Number Street

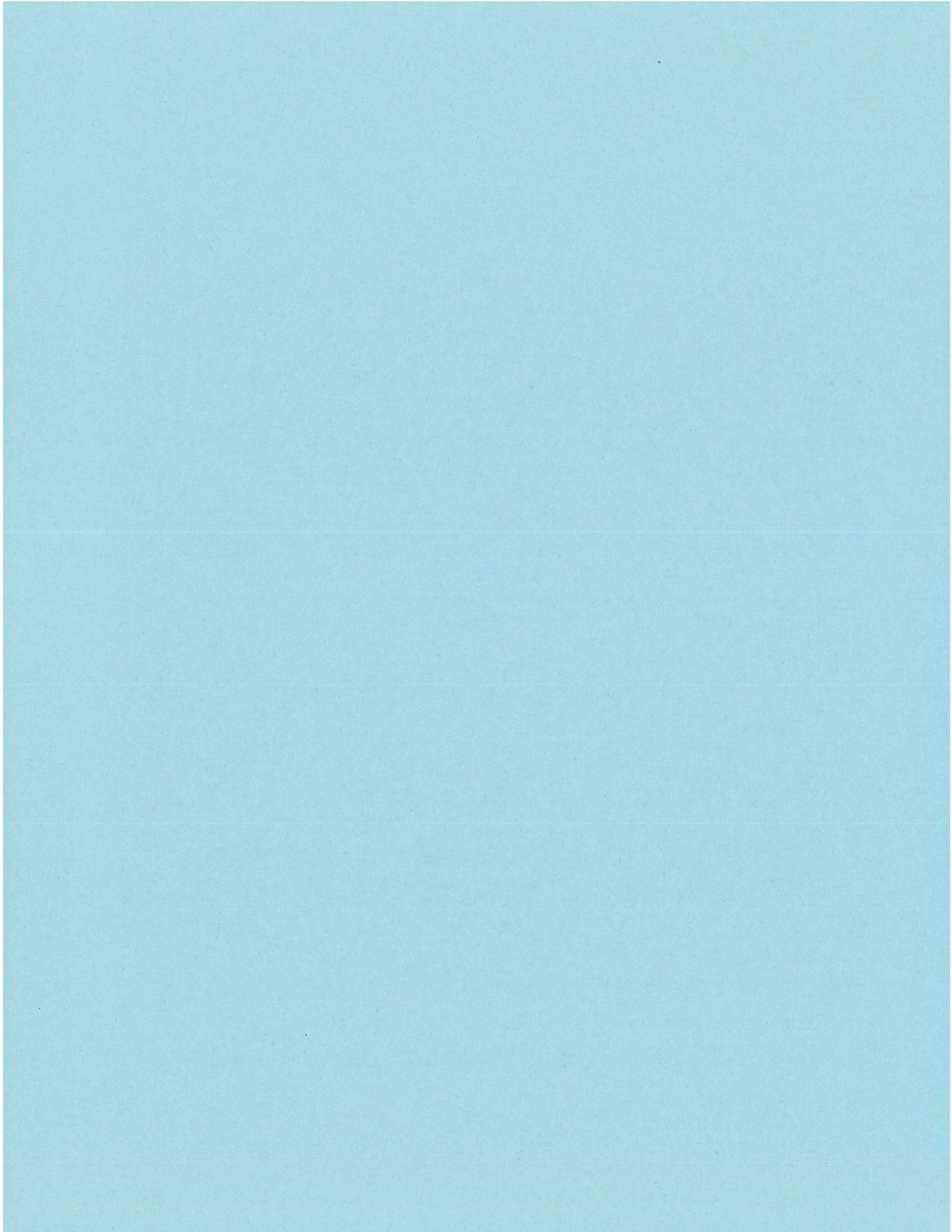
City State Zip Code

5. Debtor's website (URL) http://www.paylo30.com

6. Type of debtor

- Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Collective Brands Franchising Services, LLC Filed: 4/4/17
Total # Pages of Document (With Attachments): 62

2. All other names debtor used in the last 8 years _____
Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Include any assumed names, trade names, and doing business as names _____
By: Mary [Signature]
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 26-3883636 Date of Certification: 4/5/17

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	_____
Number Street	Number Street
_____	_____
	P.O. Box

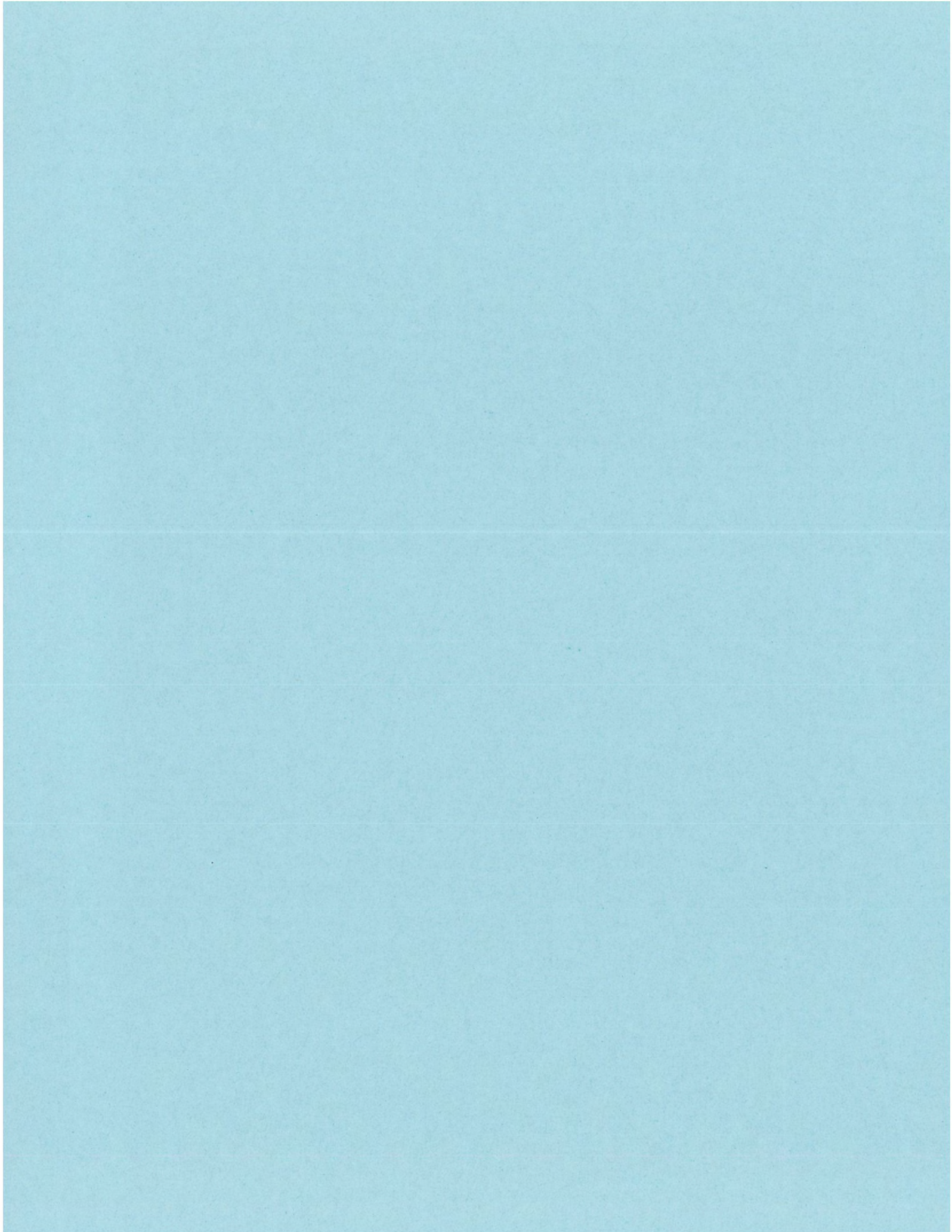
<u>Topeka</u> <u>KS</u> <u>66607-2207</u>	_____
City State Zip Code	City State Zip Code
	Location of principal assets, if different from principal place of business
<u>Shawnee</u>	_____
County	Number Street

	City State Zip Code

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

RECEIVED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Clinch, LLC Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years Clinch Gear Attest: Dana C. McWay
Clerk of Court USBC-EDMO
By: Aileen Pankley-J Deputy Clerk
Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 27-2429836

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	Number Street
Number Street	P.O. Box
<u>Topeka KS 66607-2207</u>	City State Zip Code
City State Zip Code	Location of principal assets, if different from principal place of business
<u>Shawnee</u>	Number Street
County	City State Zip Code

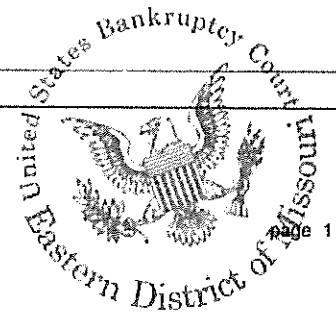
5. Debtor's website (URL) http://www.payless.com

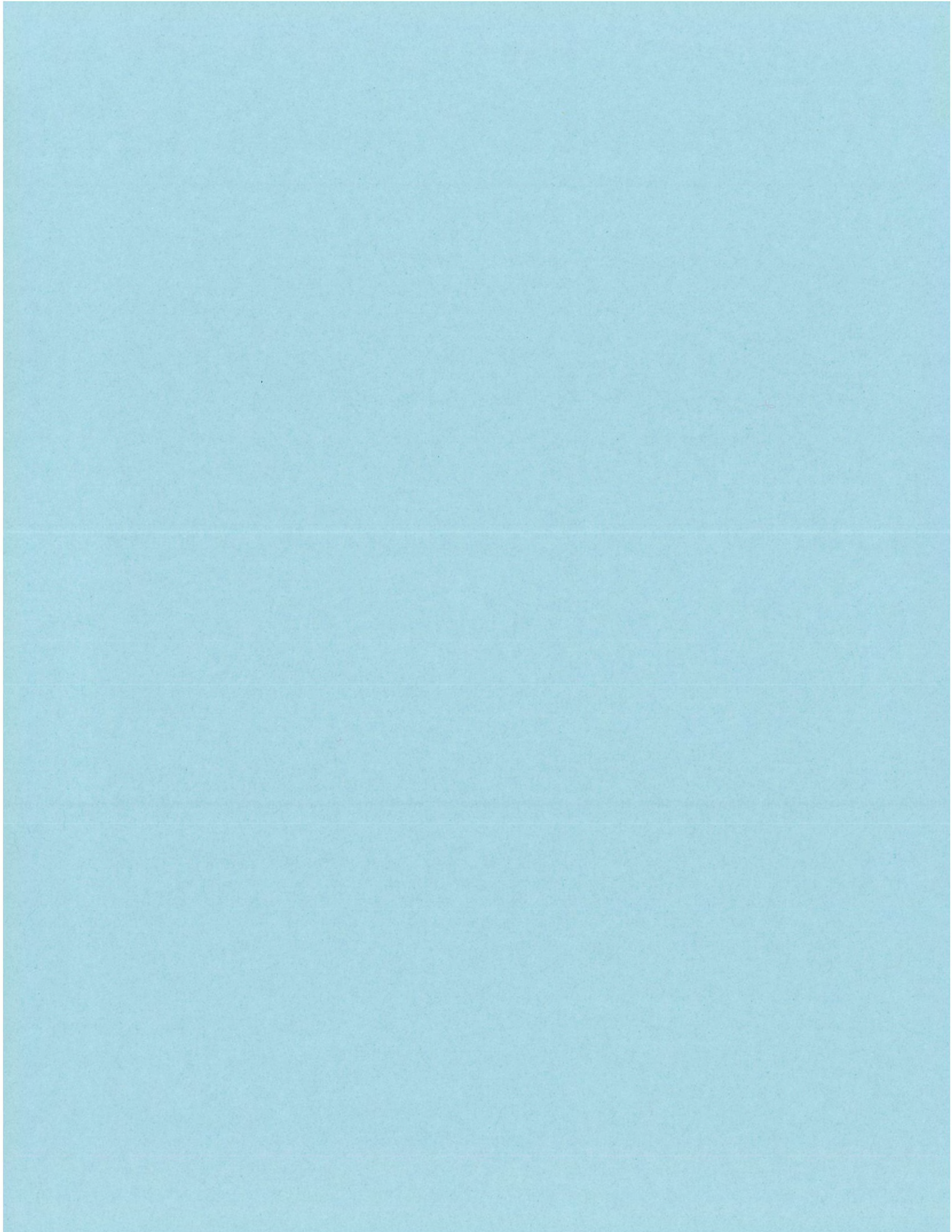
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

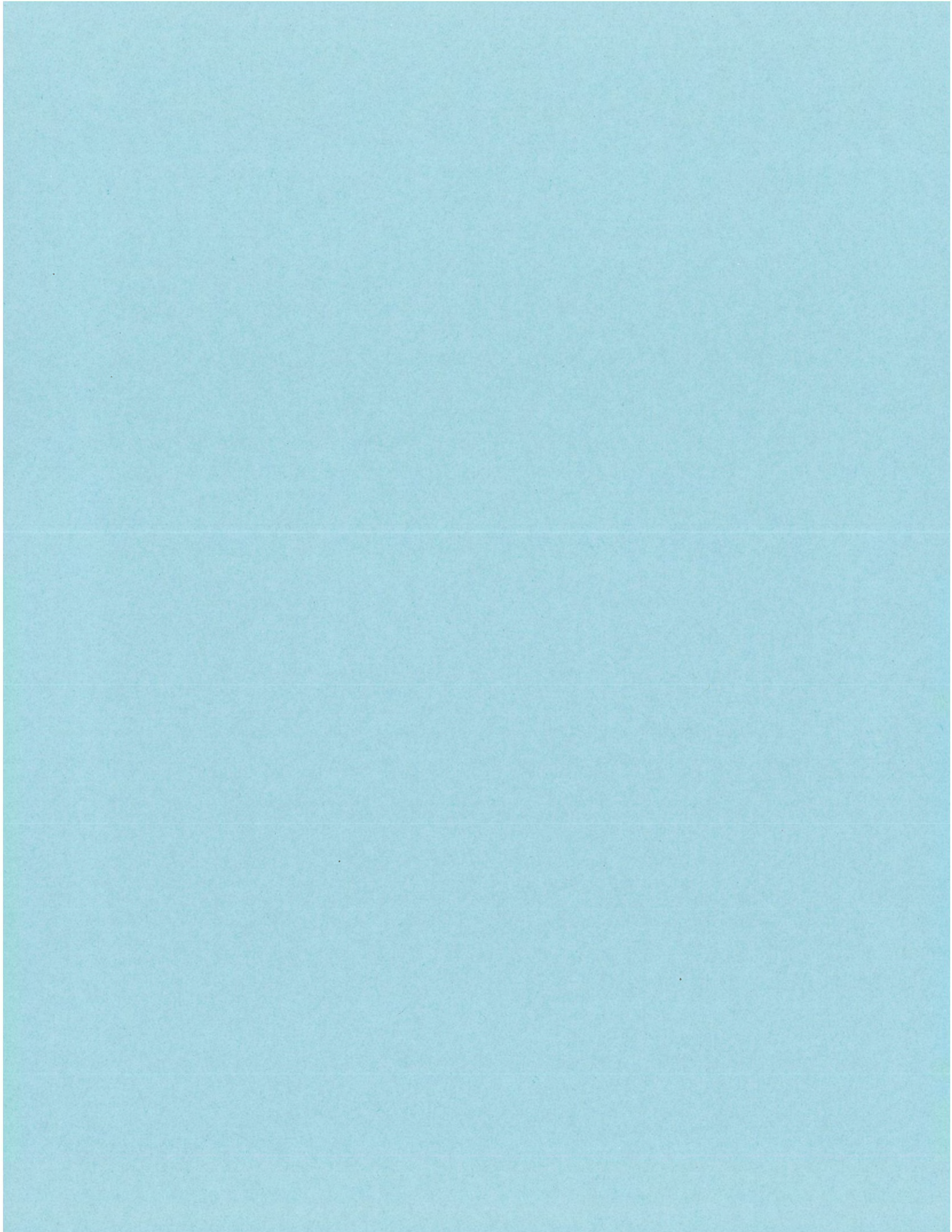
Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

<p>1. Debtor's Name</p> <p>2. All other names debtor used in the last 8 years</p> <p>Include any assumed names, trade names, and doing business as names</p> <p>3. Debtor's federal Employer Identification Number (EIN)</p> <p>4. Debtor's address</p>	<p><u>Payless Inc.</u></p> <p><u>Collective Brands, Inc.</u></p> <p><u>43-1813160</u></p> <p><u>Principal place of business</u></p> <p><u>3231 Southeast Sixth Avenue</u></p> <p>Number Street</p> <hr/> <p><u>Topeka</u> <u>KS</u> <u>66607-2207</u></p> <p>City State Zip Code</p> <hr/> <p><u>Shawnoo</u></p> <p>County</p>	<p>CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT</p> <p>Filed: <u>4/4/17</u></p> <p>Total # Pages of Document (With Attachments): <u>62</u></p> <p>Attest: <u>Dana C. McWay</u> Clerk of Court, USBC-EDMO</p> <p>By: <u>Mary Pruditt</u> Deputy Clerk</p> <p>Date of Certification: <u>4/5/17</u></p> <p>Mailing address, if different from principal place of business</p> <p>P.O. Box</p> <p>City State Zip Code</p> <p>Location of principal assets, if different from principal place of business</p> <p>Number Street</p> <p>City State Zip Code</p>
<p>5. Debtor's website (URL)</p> <p>6. Type of debtor</p>	<p><u>http://www.payless.com</u></p> <p><input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))</p> <p><input type="checkbox"/> Partnership (excluding LLP)</p> <p><input type="checkbox"/> Other. Specify: _____</p>	





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Payless Holdings LLC Filed: 4/4/17

2. All other names debtor used in the last 8 years _____
Include any assumed names, trade names, and doing business as names _____
Total # Pages of Document (With Attachments): 32
Attest: Dana G. McWay
Clerk of Court, USBC-EDMO
By: Mary D. Felt
Deputy Clerk
Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 80-0855704

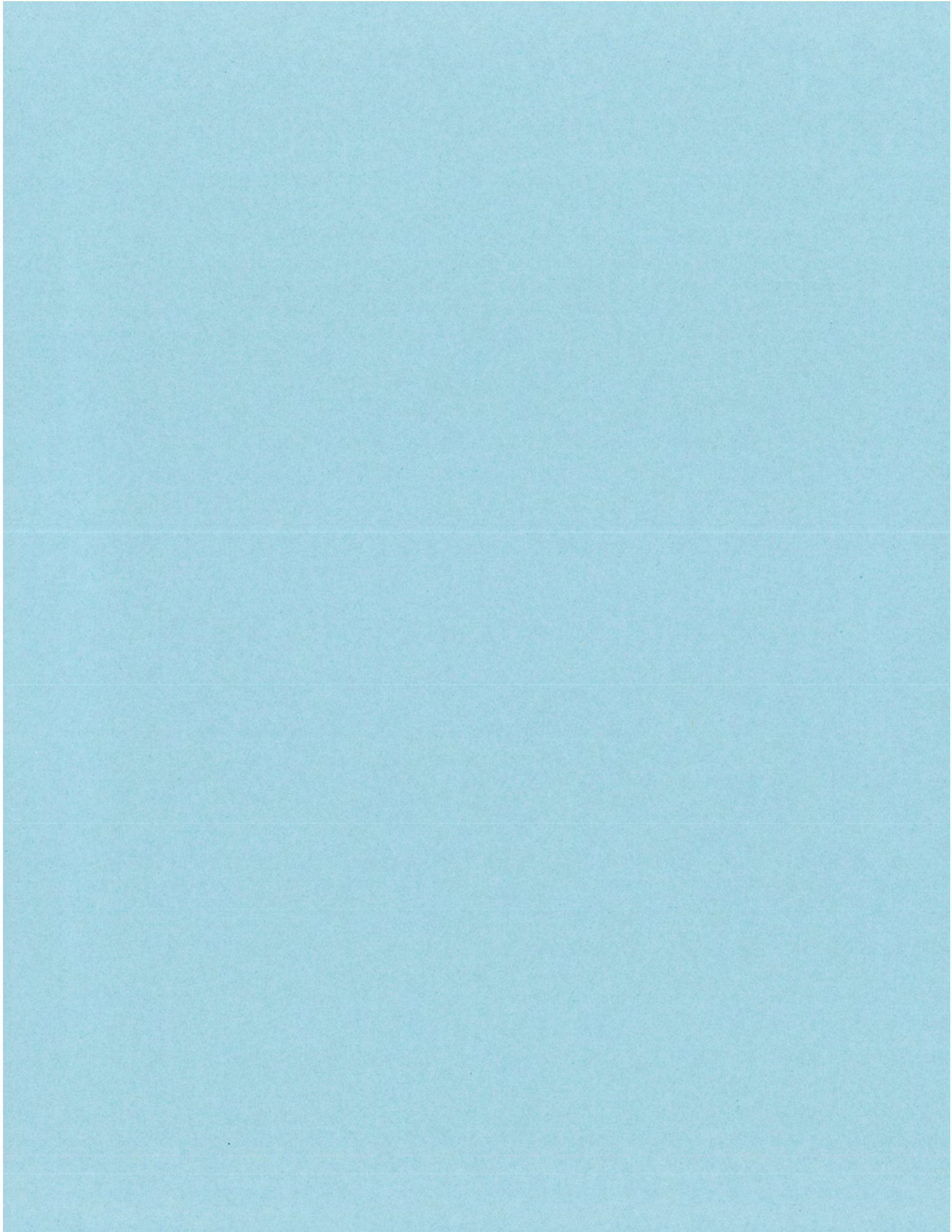
4. Debtor's address

<p>Principal place of business</p> <p><u>3231 Southeast Sixth Avenue</u> Number Street</p> <p><u>Topoka KS 66607-2207</u> City State Zip Code</p> <p><u>Shawnee</u> County</p>	<p>Mailing address, if different from principal place of business</p> <p>Number Street</p> <p>P.O. Box</p> <p>8</p> <p>City State Zip Code</p> <p>Location of principal assets, if different from principal place of business</p> <p>Number Street</p> <p>City State Zip Code</p>
--	---

5. Debtor's website (URL) http://www.payless.com/

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Filed: 4-4-17

Total # Pages of Document
(With Attachments) : 62

Attest: Dana C. McWay Check if this is an amended filing
Clerk of Court, USBC-EDMO

By: Dana C. McWay
Deputy Clerk
Date of Certification: 4-5-17

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's Name Payless Gold Value CO, Inc.

2. All other names debtor used in the last 8 years
Payless Gold Value, LLC
Payless Gold Value WY, Inc.

Include any assumed names, trade names, and doing business as names

3. Debtor's federal Employer Identification Number (EIN) 46-1103581

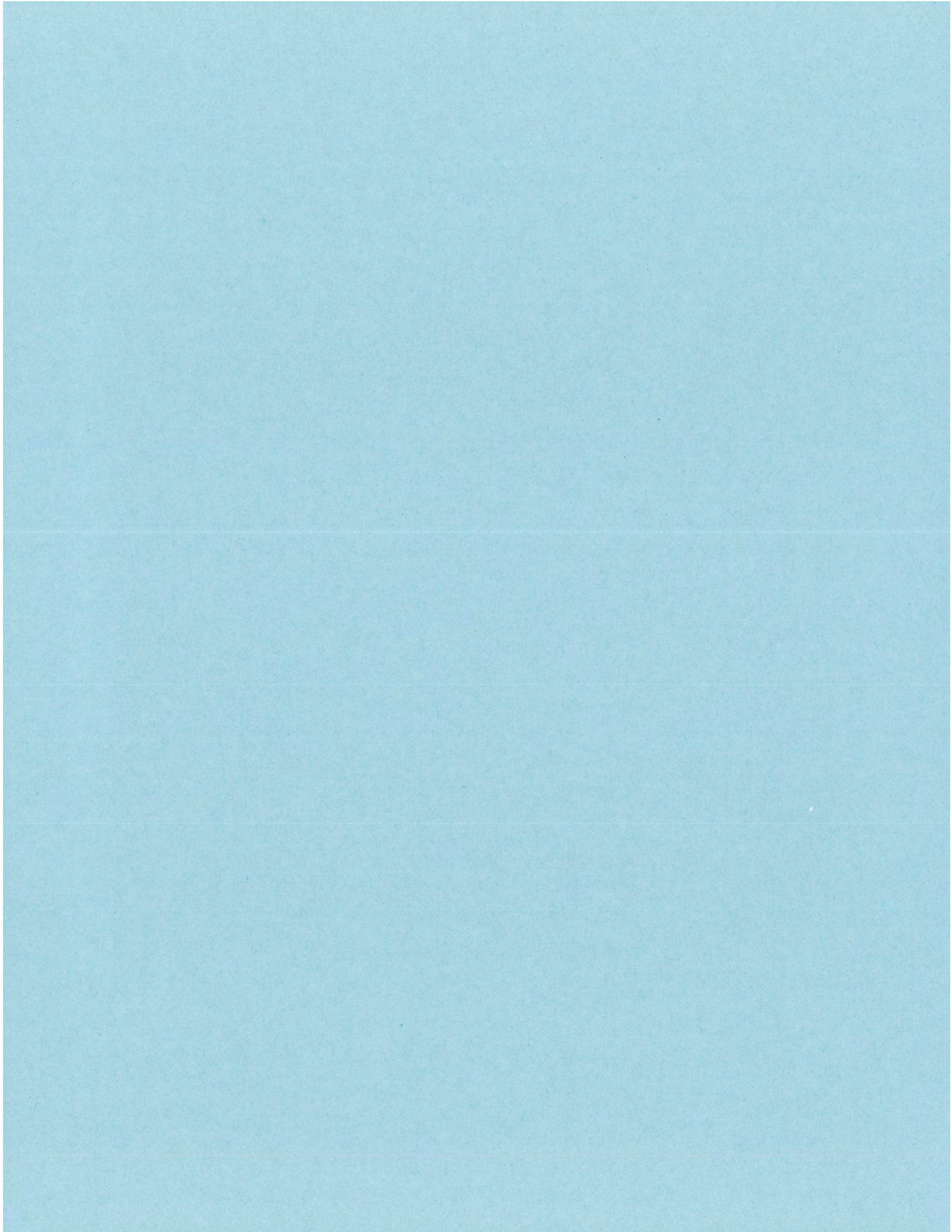
4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	
Number Street	Number Street
<u>Topoka KS 66607-2207</u>	P.O. Box
City State Zip Code	City State Zip Code
<u>Shawnee</u>	Location of principal assets, if different from principal place of business
County	Number Street
	City State Zip Code



5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless Finance, Inc. Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years Collective Brands Finance, Inc. Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO
 Include any assumed names, trade names, and doing business as names
 By: Mary Pusallo
 Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 43-1622101 Date of Certification: 4/5/17

4. Debtor's address

Principal place of business: 3231 Southeast Sixth Avenue
 Number Street
Topoka KS 66607-2207
 City State Zip Code

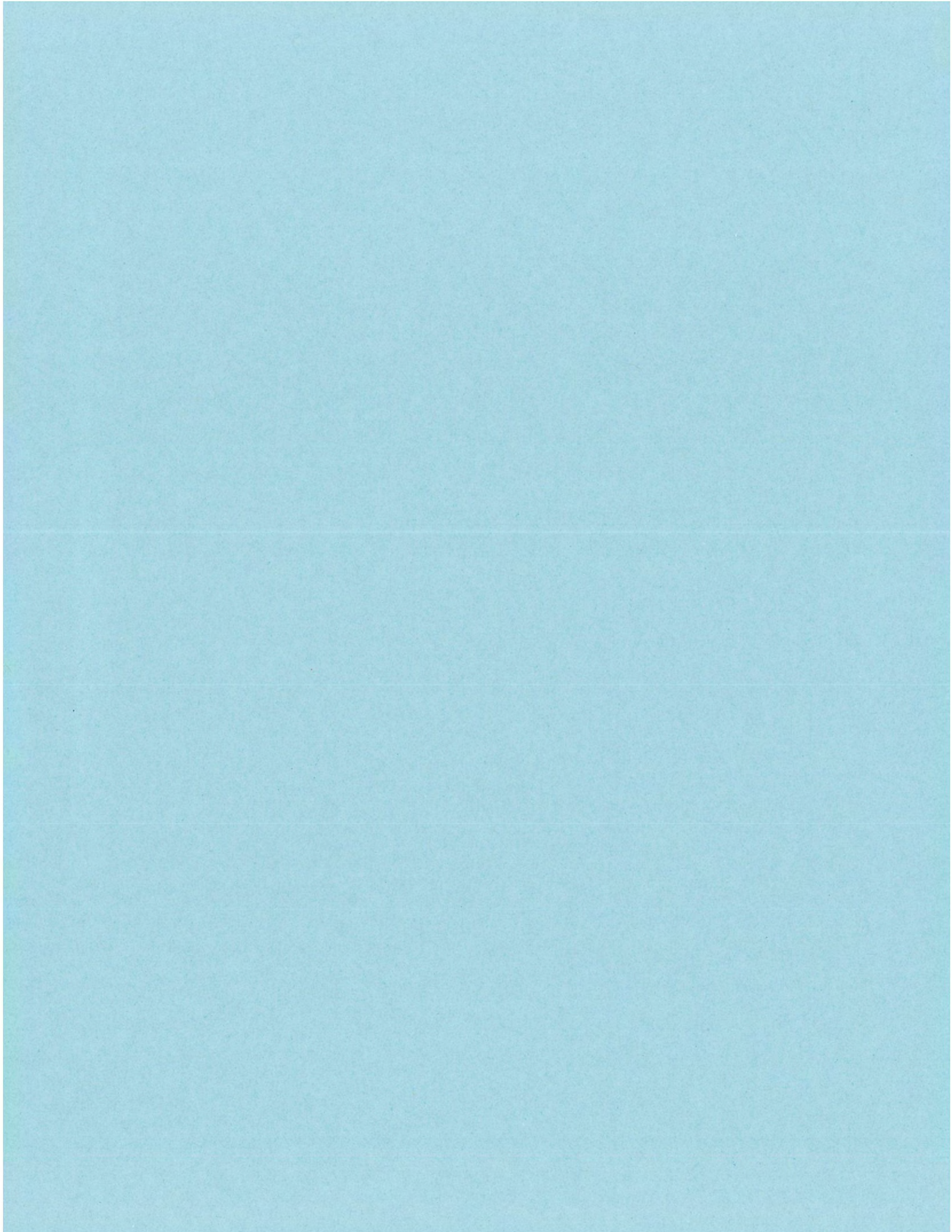
Mailing address, if different from principal place of business:
 Number Street
 P.O. Box
 City State Zip Code

Location of principal assets, if different from principal place of business:
 Number Street
 City State Zip Code



5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless Collective GP, LLC

Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years
 Include any assumed names, trade names, and doing business as names

Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO

3. Debtor's federal Employer Identification Number (EIN)

By: Mary P. Peltate
 Deputy Clerk

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue
 Number Street

Number Street

Topoka KS 66607-2207
 City State Zip Code

P.O. Box

City State Zip Code

Location of principal assets, if different from principal place of business

Shawnee
 County

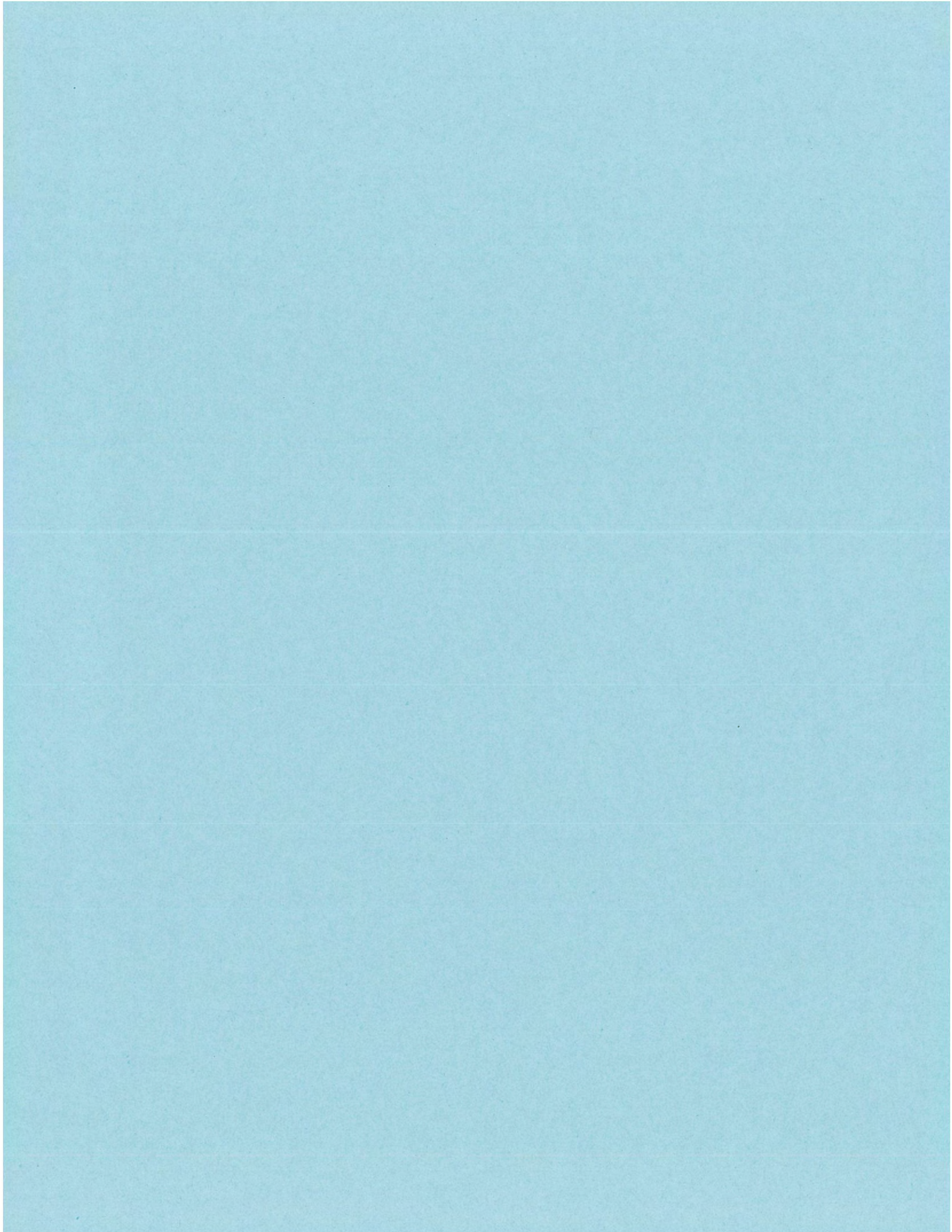
Number Street

City State Zip Code



5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Eastborough, Inc.

Filed: 4/4/17

2. All other names debtor used in the last 8 years

Include any assumed names, trade names, and doing business as names

Total # Pages of Document (With Attachments): 62

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

By: Mary Priddy
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 48-1212803

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

3231 Southeast Sixth Avenue
Number Street

Topeka KS 66607-2207
City State Zip Code

Shawnee
County

Mailing address, if different from principal place of business

Number Street

P.O. Box

City State Zip Code

Location of principal assets, if different from principal place of business

Number Street

City State Zip Code



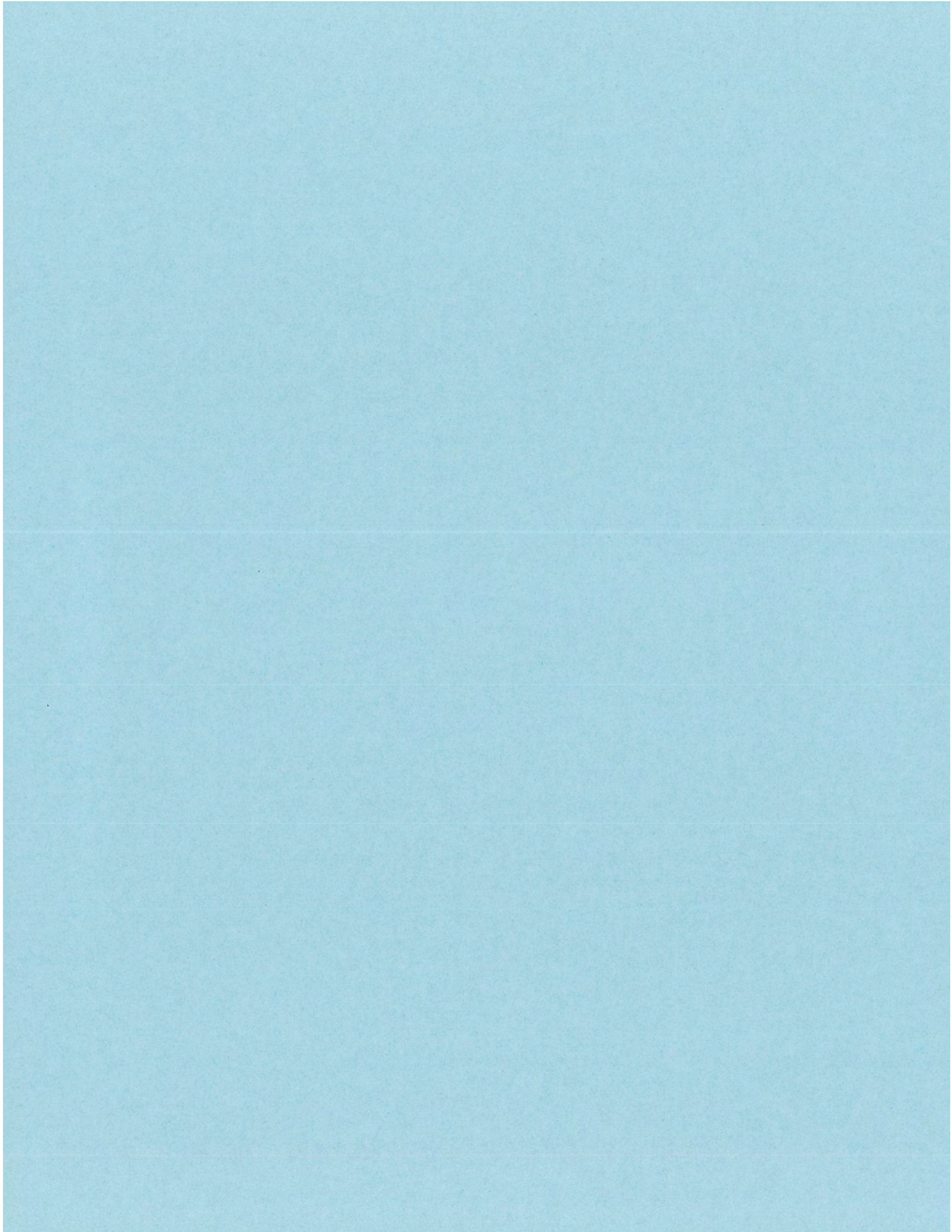
5. Debtor's website (URL) http://www.payloss.com

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____



CERTIFIED AS A TRUE COPY
 Filed: 4417

Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Total # Pages of Document
 (With Attachments) : 62

Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO Check if this is an amended filing

By: BC/Decca
 Deputy Clerk

Date of Certification: 4-5-17

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's Name Dynamic Assots Limited

2. All other names debtor used in the last 8 years _____

 Include any assumed names, trade names, and doing business as names _____

3. Debtor's federal Employer Identification Number (EIN) 98-0381978

4. Debtor's address

Principal place of business <u>3231 Southeast Sixth Avenue</u> Number _____ Street _____ <u>Topoka</u> <u>KS</u> <u>66607-2207</u> City State Zip Code <u>Shawnee</u> County	Mailing address, if different from principal place of business Number _____ Street _____ P.O. Box _____ City _____ State _____ Zip Code _____ Location of principal assots, if different from principal place of business Number _____ Street _____ City _____ State _____ Zip Code _____
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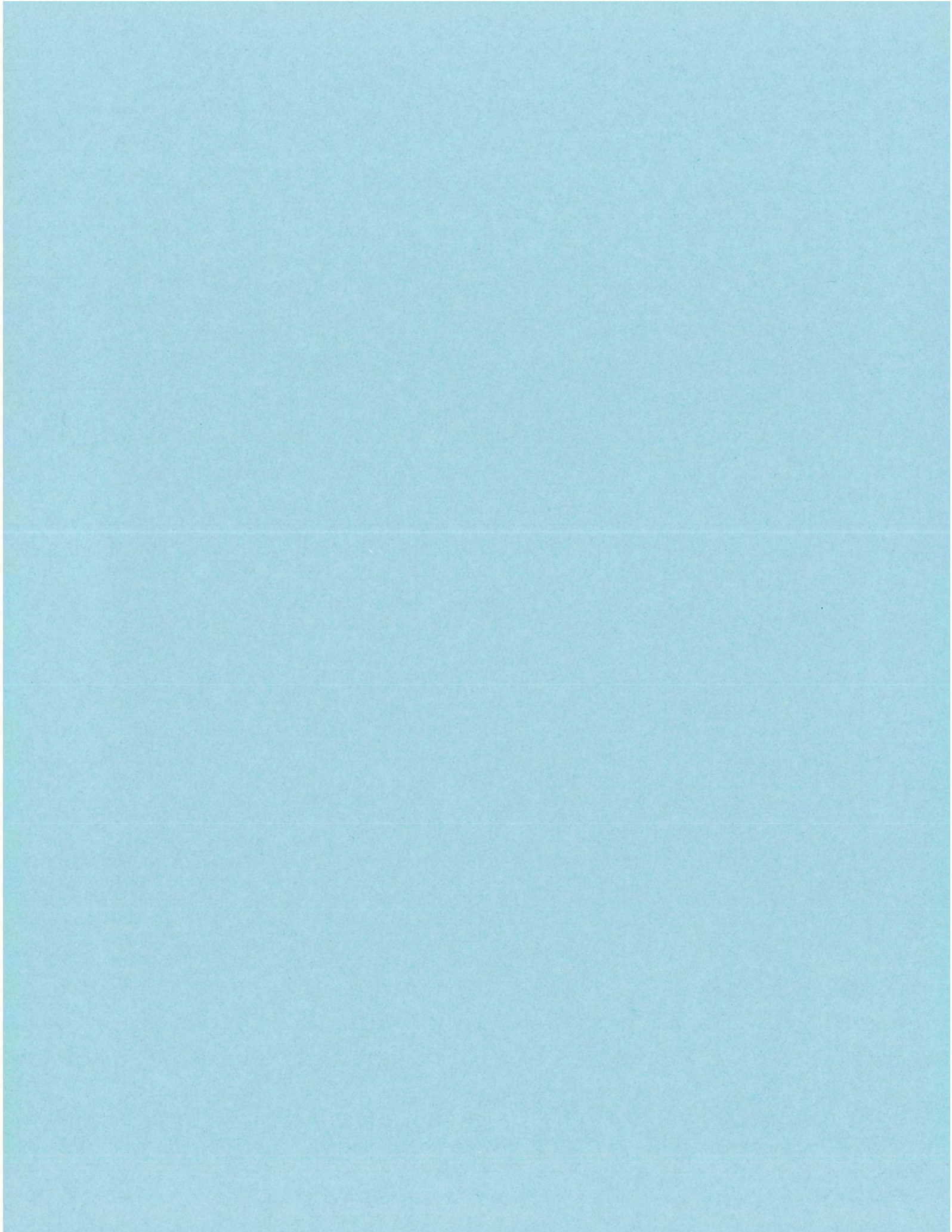
5. Debtor's website (URL) http://www.payless.com

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Collective Licensing, LP Filed: 4/4/17

2. All other names debtor used in the last 8 years Collective International, LP Total # Pages of Document (With Attachments) : 602

Include any assumed names, trade names, and doing business as names _____ Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

3. Debtor's federal Employer Identification Number (EIN) 20-4231256 By: Mary Puzdite
Deputy Clerk

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business: 3231 Southeast Sixth Avenue
Number Street
Topoka KS 66607-2207
City State Zip Code

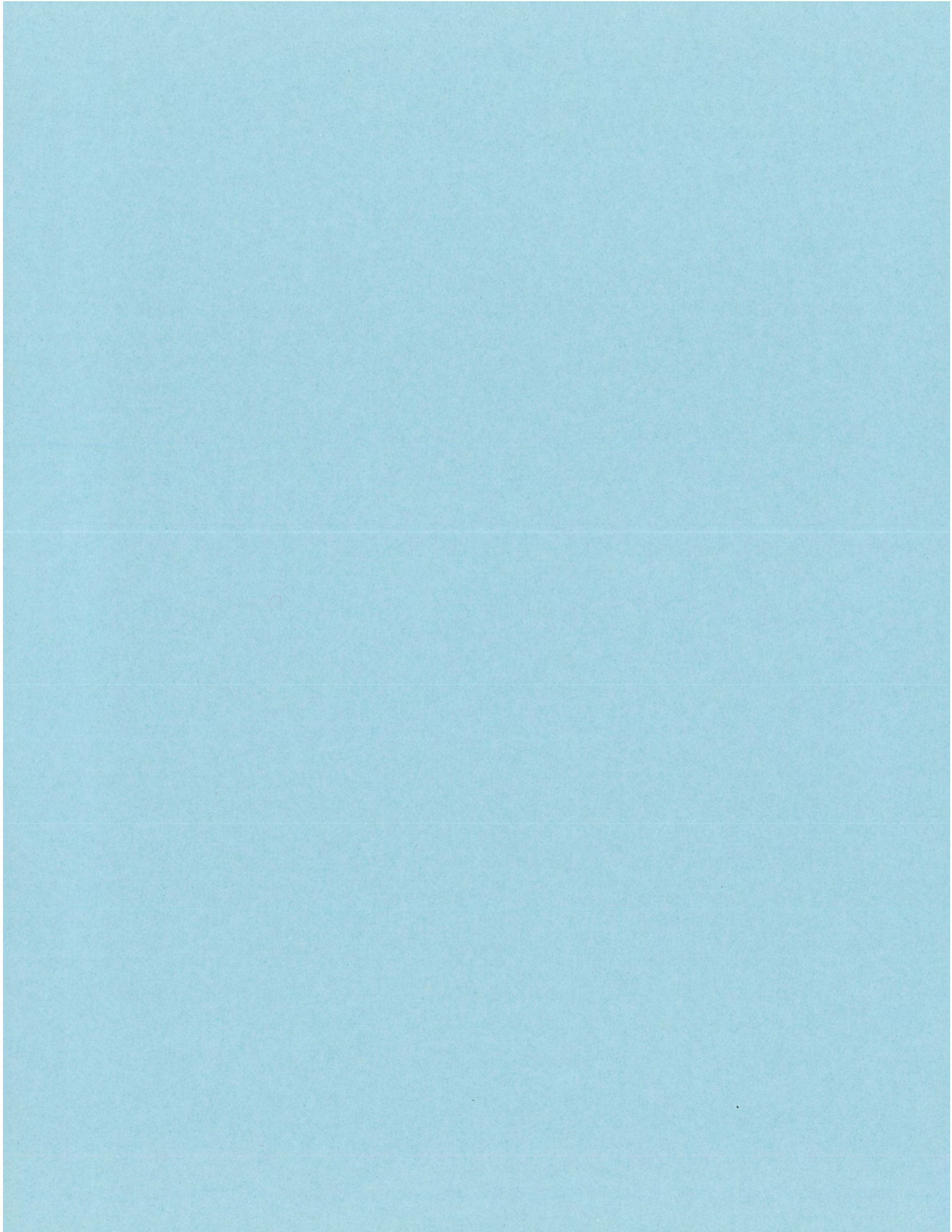
Mailing address, if different from principal place of business: _____
Number Street
P.O. Box _____
City State Zip Code

Location of principal assets, if different from principal place of business: _____
Number Street
City State Zip Code



5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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FILED AS AVAILABLE COPY
OF THE ORIGINAL DOCUMENT
Filed: 4/4/17

1. Debtor's Name Collective Licensing International, LLC Total # Pages of Document (With Attachments): 62

2. All other names debtor used in the last 8 years
Include any assumed names, trade names, and doing business as names
Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
By: [Signature]
Deputy Clerk
Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 05-0585451

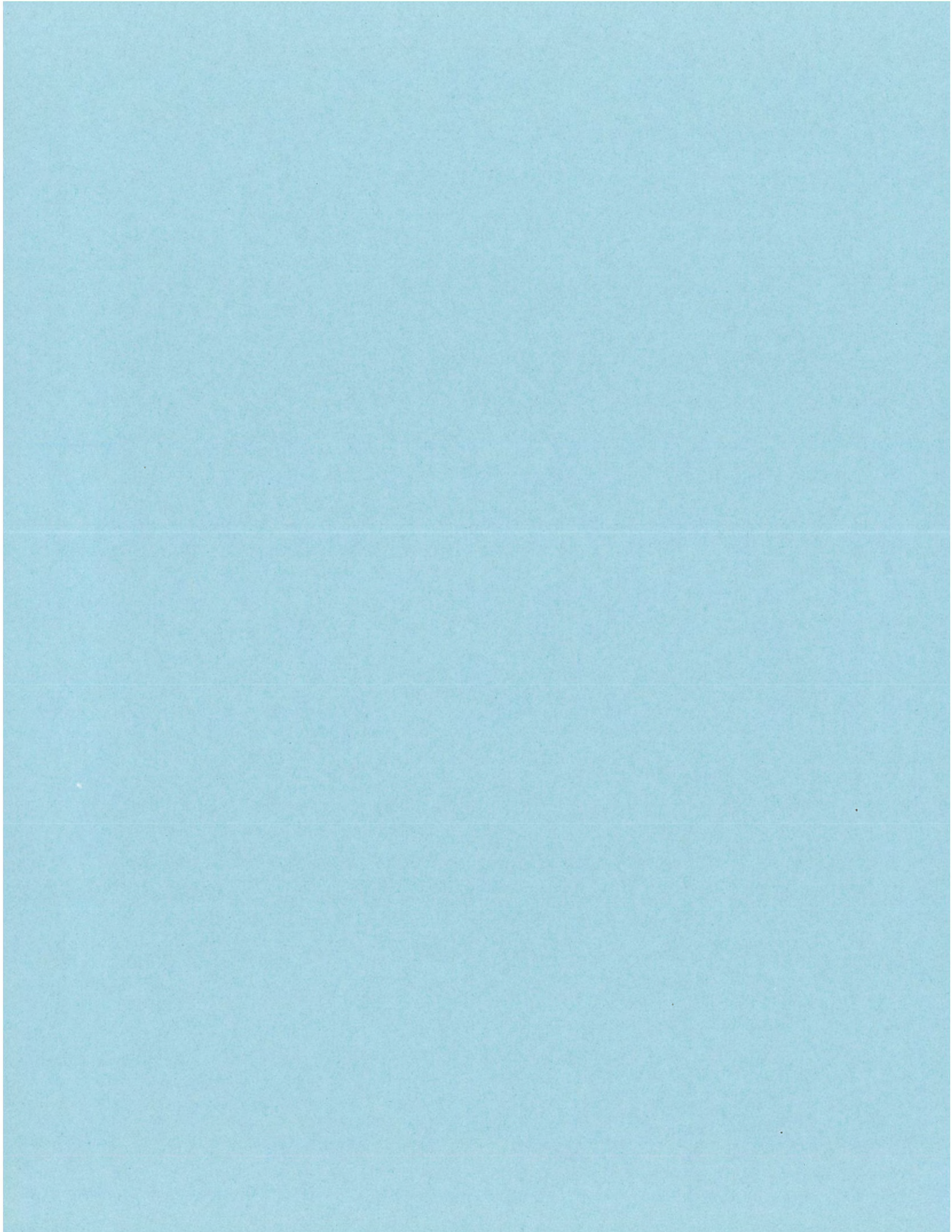
4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	Number Street
Number Street	
<u>Topoka KS 66607-2207</u>	P.O. Box
City State Zip Code	
<u>Shawnee</u>	Location of principal assets, if different from principal place of business
County	Number Street
	City State Zip Code

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless ShoeSource Merchandising, Inc.

Total # Pages of Document (With Attachments): 62

2. All other names debtor used in the last 8 years

Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO

Include any assumed names, trade names, and doing business as names

By: Mary Purcell
 Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 48-1140946

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue
 Number Street

Number Street

Topoka KS 66607-2207
 City State Zip Code

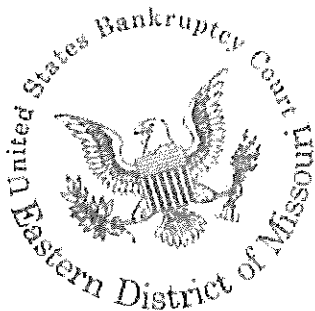
P.O. Box
 City State Zip Code

Shawnoo
 County

Location of principal assets, if different from principal place of business

Number Street

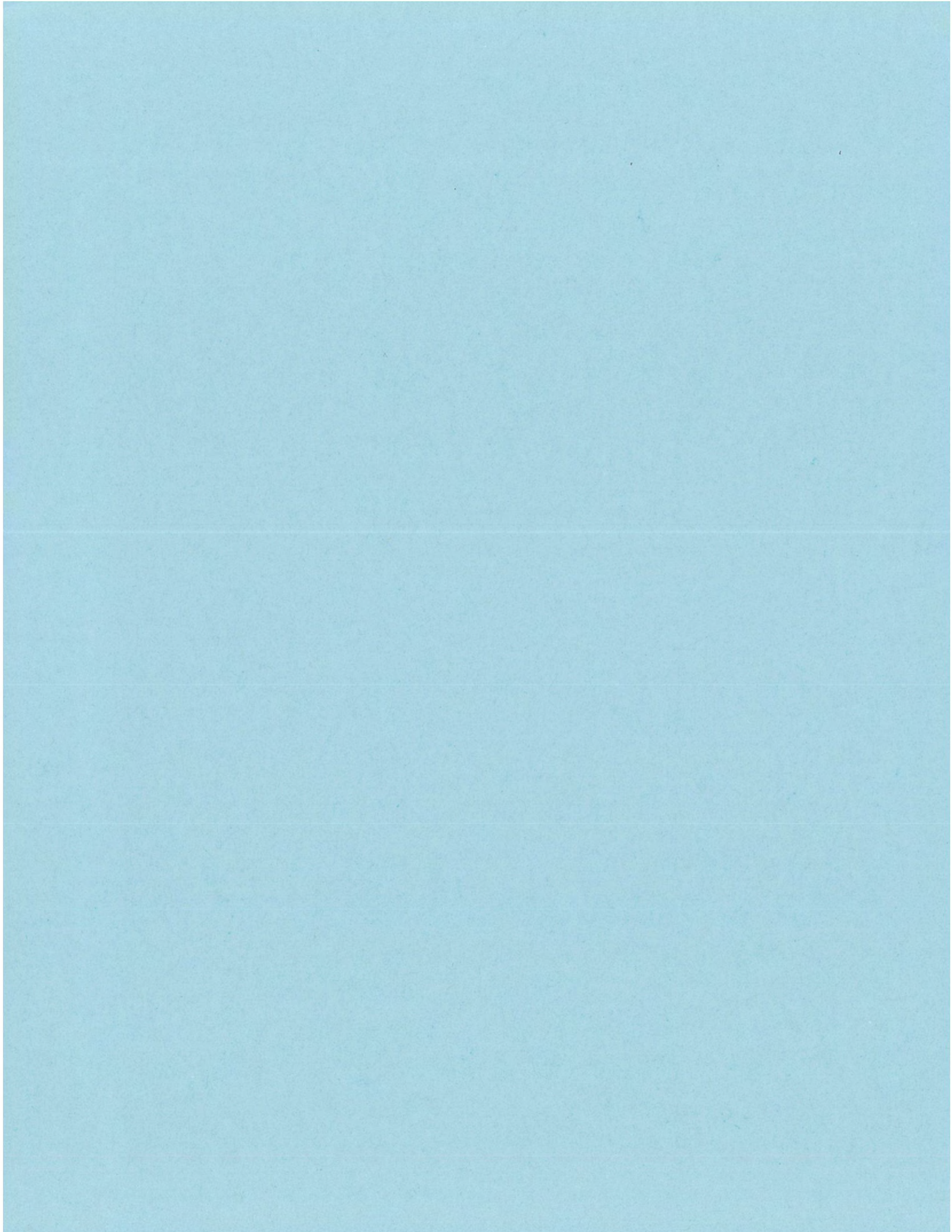
City State Zip Code



5. Debtor's website (URL) http://www.payless.com

6. Type of debtor

- Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Payless ShoeSource Distribution, Inc.

Filed: 4/4/17

2. All other names debtor used in the last 8 years

Total # Pages of Document (With Attachments) : 62

Include any assumed names, trade names, and *doing business as* names

Attest: Dana C. McWay
Clerk of Court USBC-EDMO

3. Debtor's federal Employer Identification Number (EIN) 48-1140944

By: Mary Pustinec
Deputy Clerk

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue

Number Street

Number Street

Topeka KS 66607-2207

City State Zip Code

P.O. Box

City State Zip Code

Location of principal assets, if different from principal place of business

Shawnee

County

Number Street

City State Zip Code

5. Debtor's website (URL) http://www.payless.com

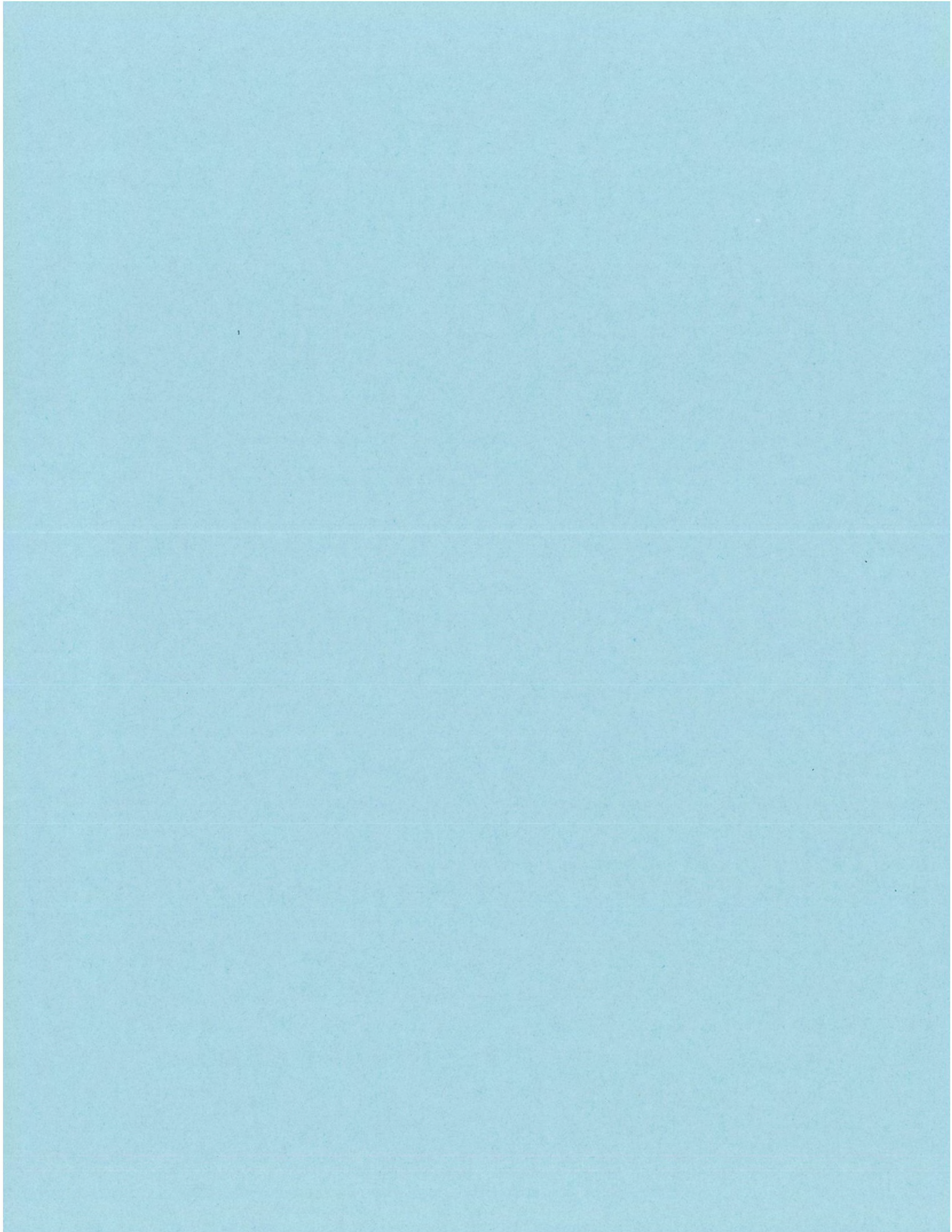
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Filed: 4-4-17

Total # Pages of Document
(With Attachments) : 62

Attest: Dana C. McWay Check if this is an amended filing
Clerk of Court, USBC-EDMO

By: DCRouch
Deputy Clerk

Date of Certification: 4-5-17

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's Name Payless ShoeSource Canada LP

2. All other names debtor used in the last 8 years _____
 Include any assumed names, trade names, and doing business as names _____

3. Debtor's federal Employer Identification Number (EIN) 98-0534179

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southwest Sixth Avenue</u>	Number Street
Number Street	
<u>Topoka KS 66607-2207</u>	P.O. Box
City State Zip Code	City State Zip Code
<u>Shawnee</u>	Location of principal assets, if different from principal place of business
County	Number Street
	City State Zip Code

5. Debtor's website (URL) http://www.payless.com

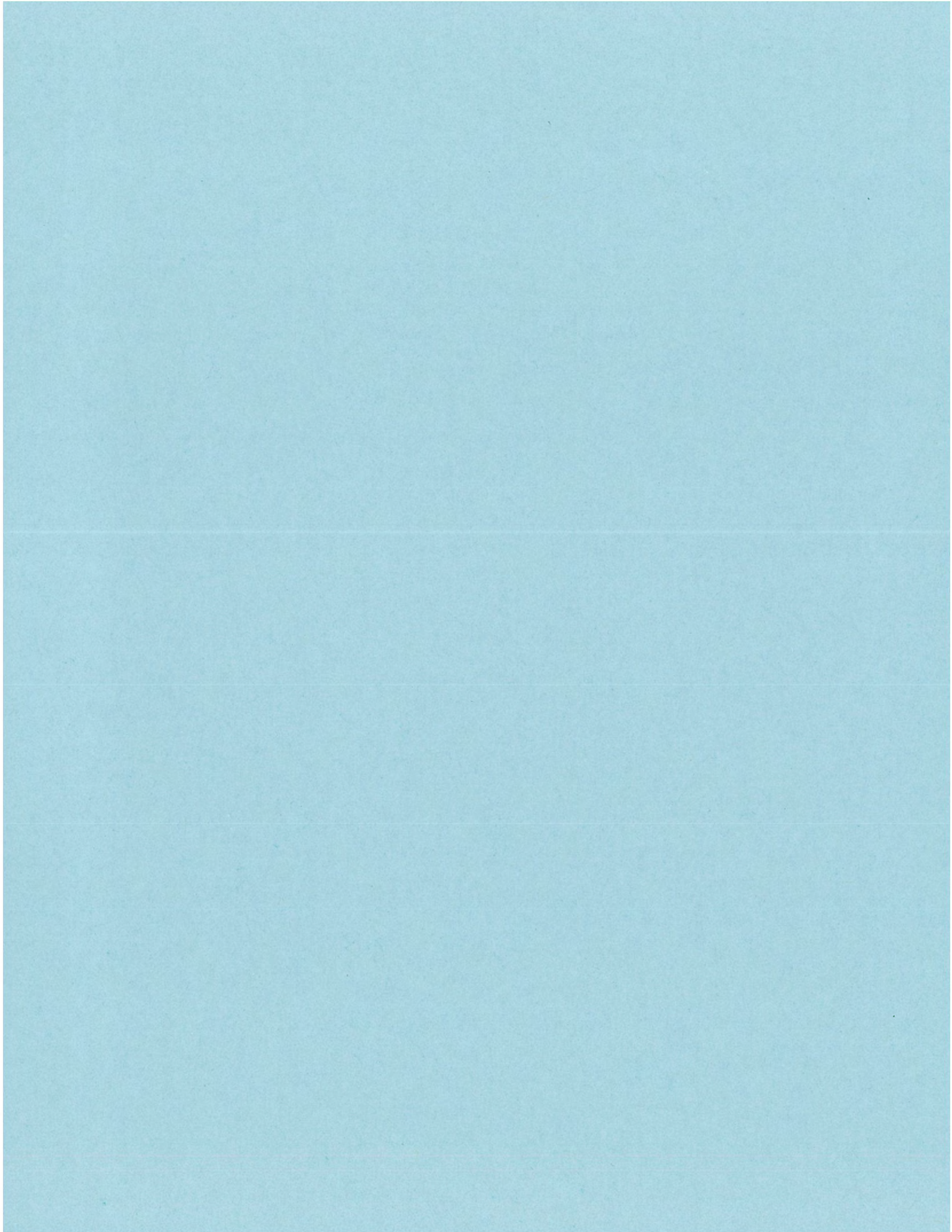
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless ShoeSource Canada Inc. Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years _____ Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO
 Include any assumed names, trade names, and doing business as names _____ By: [Signature]
 Deputy Clerk
 Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 98-0534180

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	_____
Number Street	Number Street
_____	_____
Topoka KS 66607-2207	P.O. Box _____
City State Zip Code	City State Zip Code
_____	_____
Shawnee	Location of principal assets, if different from principal place of business
County	Number Street _____
_____	_____
_____	City State Zip Code _____

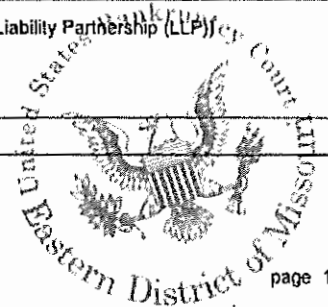
5. Debtor's website (URL) http://www.payless.com

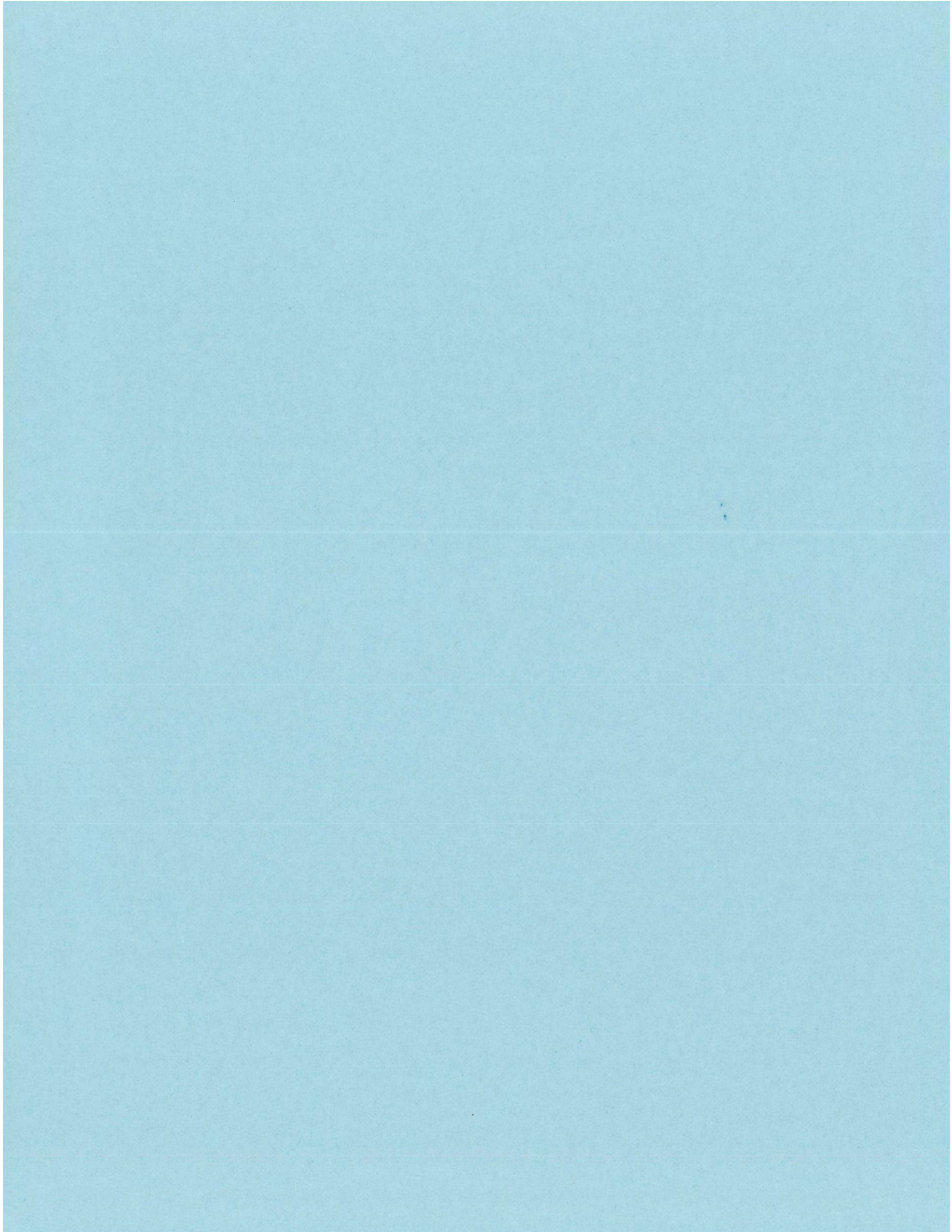
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:	
United States Bankruptcy Court for the:	
Eastern District of Missouri (State)	
Case number (if known): _____	Chapter <u>11</u>

Check if this is an amended filing

Official Form 201

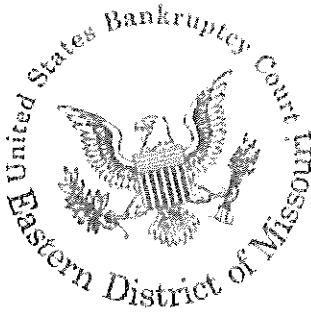
Voluntary Petition for Non-Individuals Filing for Bankruptcy

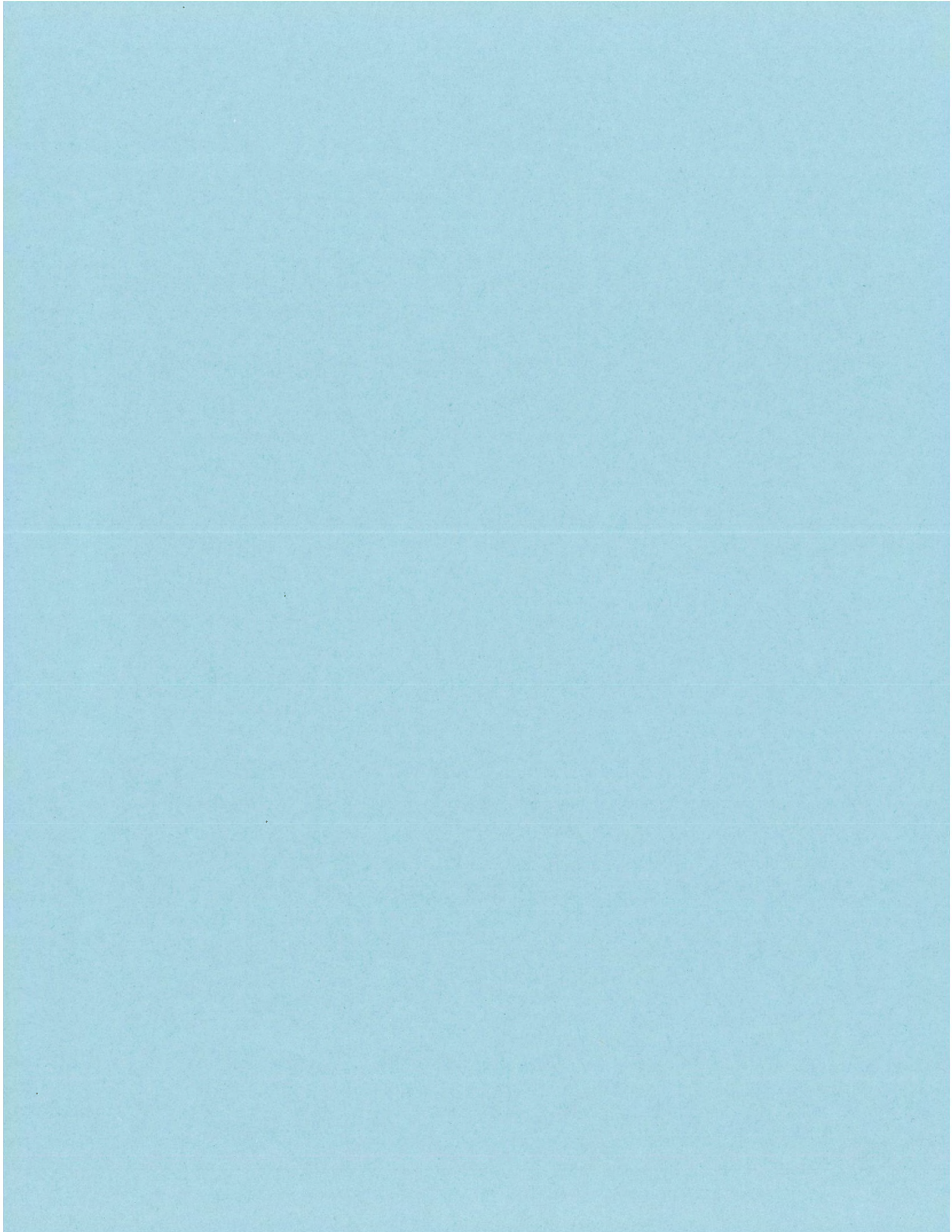
04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

RECORDED AS ORIGINAL DOCUMENT
Filed: 4/4/17

1. Debtor's Name	<u>Payless ShoeSource Canada GP Inc.</u>	Total # Pages of Document (With Attachments) : <u>62</u>
2. All other names debtor used in the last 8 years	<u>Commandité Payless ShoeSource Canada Inc.</u>	Attest: Dana C. McWay Clerk of Court, USBC-EDMO
Include any assumed names, trade names, and doing business as names		By: <u>Mary P. Felt</u> Deputy Clerk
3. Debtor's federal Employer Identification Number (EIN)	<u>98-0534182</u>	Date of Certification: <u>4/5/17</u>
4. Debtor's address	Principal place of business	Mailing address, if different from principal place of business
	<u>3231 Southeast Sixth Avenue</u>	
	Number Street	Number Street
	<u>Topeka KS 66607-2207</u>	P.O. Box
	City State Zip Code	City State Zip Code
	<u>Shawnee</u>	Location of principal assets, if different from principal place of business
	County	Number Street
		City State Zip Code
5. Debtor's website (URL)	<u>http://www.payless.com</u>	
6. Type of debtor	<input checked="" type="checkbox"/> Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) <input type="checkbox"/> Partnership (excluding LLP) <input type="checkbox"/> Other, Specify: _____	





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's Name Payless Purchasing Services, Inc. CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

2. All other names debtor used in the last 8 years _____ Filed: 4/4/17
 Include any assumed names, trade names, and doing business as names _____ Total # Pages of Document (With Attachments): 66
 Attest: Dana C. McWay
 Clerk of Court, USEC-EDMO

3. Debtor's federal Employer Identification Number (EIN) 48-1253043 By: Mary Proffitt
 Deputy Clerk

4. Debtor's address Principal place of business Mailing address, if different from principal place of business Date of certification: 4/5/17

3231 Southeast Sixth Avenue _____
 Number Street Number Street

Topeka KS 66607-2207 _____
 City State Zip Code City State Zip Code

Shawnee _____
 County

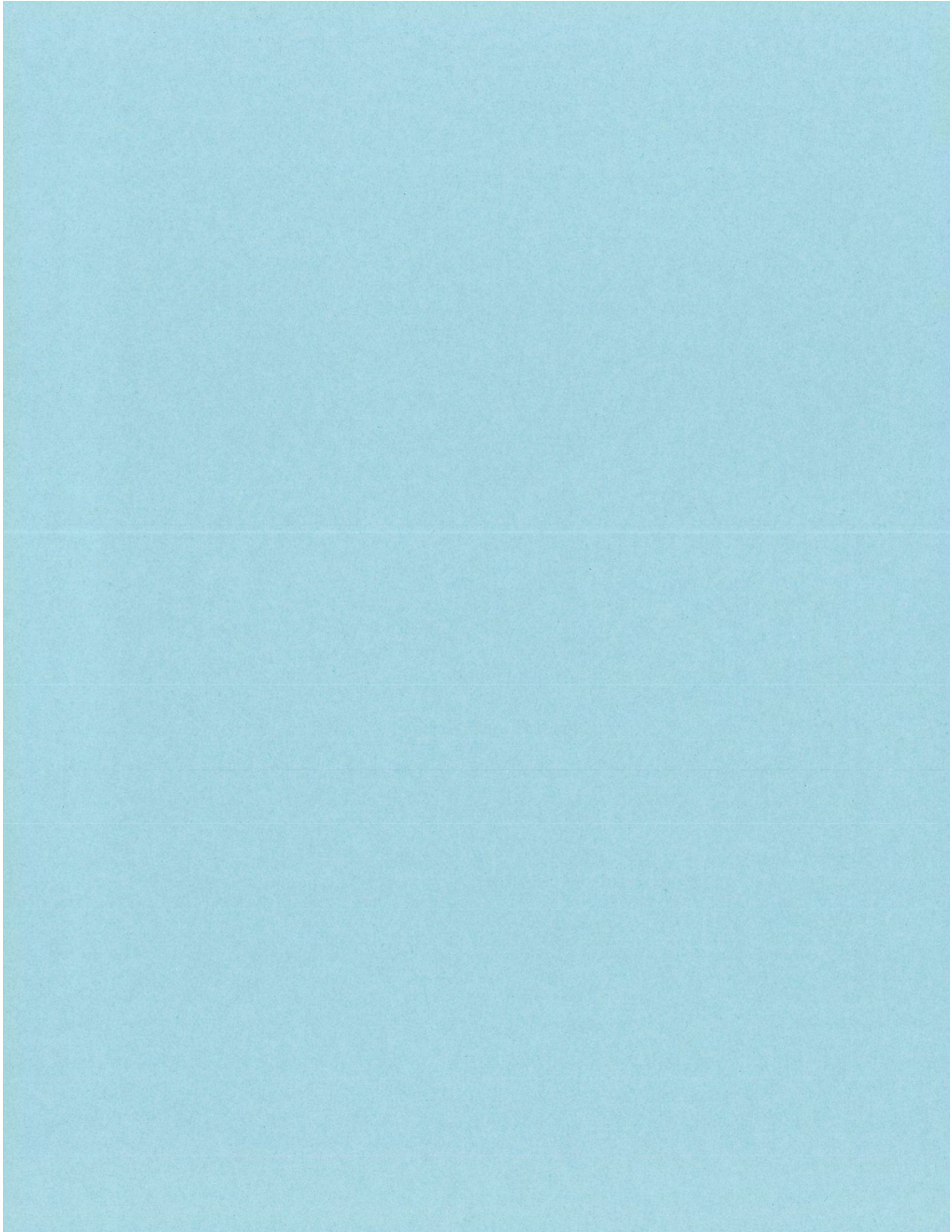
Location of principal assets, if different from principal place of business

Number Street _____
 City State Zip Code _____

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless NYC, Inc.

2. All other names debtor used in the last 8 years _____
Include any assumed names, trade names, and doing business as names _____

3. Debtor's federal Employer Identification Number (EIN) 48-1194126

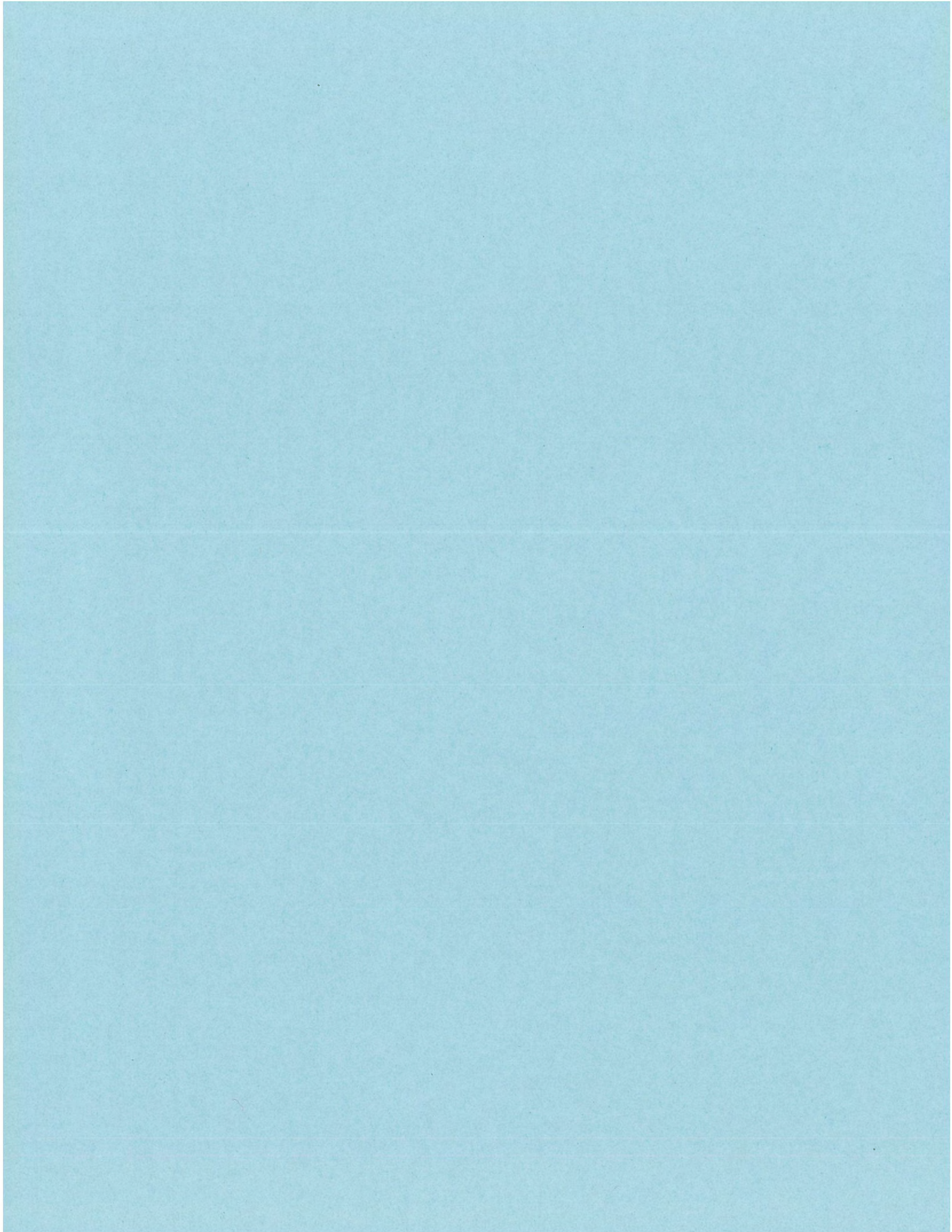
4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	
Number Street	Number Street
<u>Topoka KS 66607-2207</u>	P.O. Box
City State Zip Code	City State Zip Code
<u>Shawnee</u>	Location of principal assets, if different from principal place of business
County	Number Street
	City State Zip Code

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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THIS IS A TRUE COPY
OF THE ORIGINAL DOCUMENT
Filed: 4/4/17

1. Debtor's Name Payless International Franchising, LLC

2. All other names debtor used in the last 8 years Collective Sourcing Services, LLC

Include any assumed names, trade names, and doing business as names

3. Debtor's federal Employer Identification Number (EIN) 27-3686448

Total # Pages of Document (With Attachments) : 62

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

By: Mary Puffitt
Deputy Clerk

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

3231 Southeast Sixth Avenue
Number Street

Topoka KS 66607-2207
City State Zip Code

Shawnee
County

Mailing address, if different from principal place of business

Number Street

P.O. Box

City State Zip Code

Location of principal assets, if different from principal place of business

Number Street

City State Zip Code

5. Debtor's website (URL) http://www.payless.com

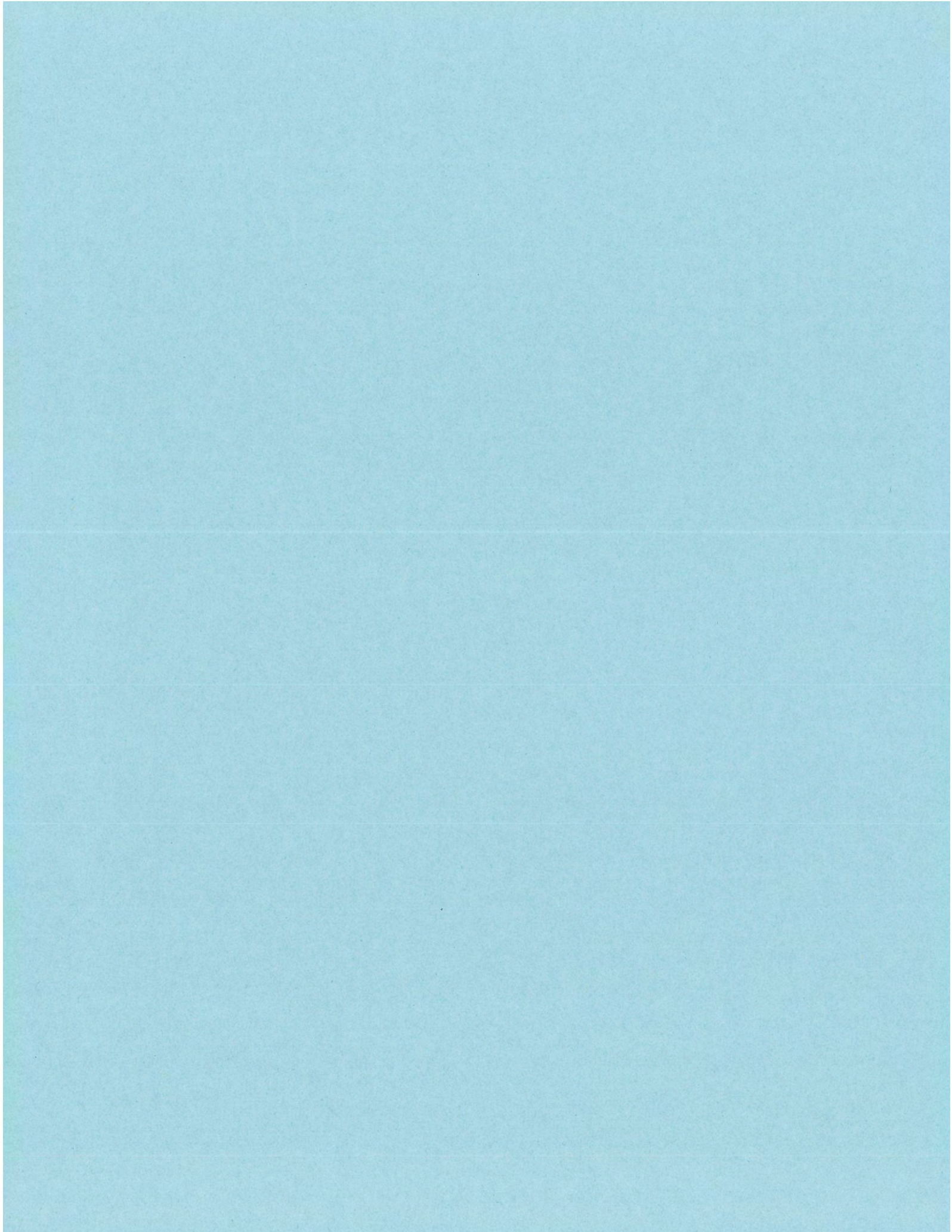
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

1. Debtor's Name Payless Intermediate Holdings LLC

Filed: 4/4/17

2. All other names debtor used in the last 8 years

Total # Pages of Document (With Attachments) : 608

Include any assumed names, trade names, and doing business as names

Attest: Dana C. McWay
Clerk of Court, USBC-EDMO

3. Debtor's federal Employer Identification Number (EIN)

By: Mary R. [Signature]
Deputy Clerk

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue
Number Street

Number Street

Topeka KS 66607-2207
City State Zip Code

P.O. Box

City State Zip Code

Shawnee
County

Location of principal assets, if different from principal place of business

Number Street

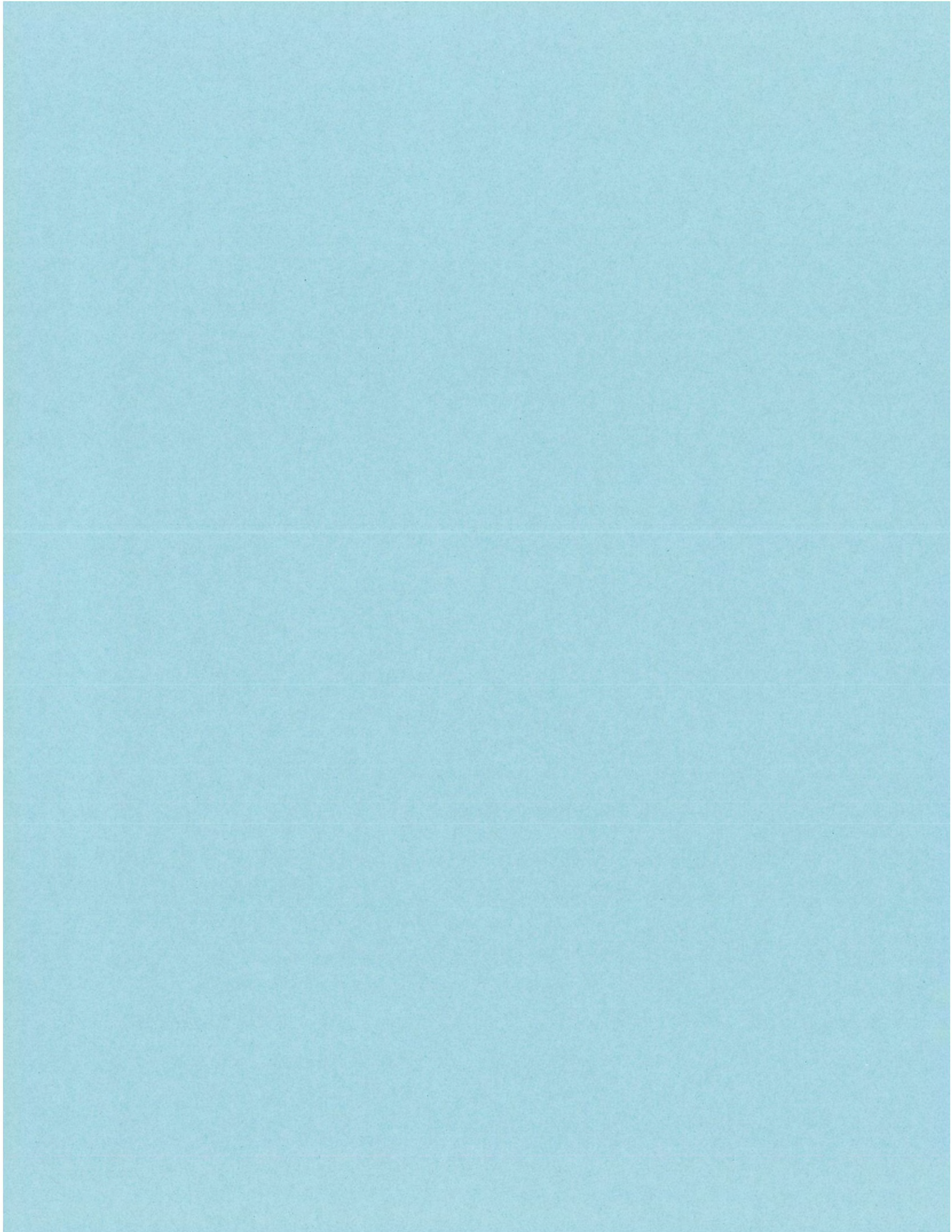
City State Zip Code

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor

- Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
 OF THE ORIGINAL DOCUMENT
 Filed: 4/4/17

1. Debtor's Name WBG-PSS Holdings LLC

2. All other names debtor used in the last 8 years _____
 Include any assumed names, trade names, and doing business as names _____

3. Debtor's federal Employer Identification Number (EIN) _____

Total # Pages of Document (With Attachments) : 62
 Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO
 BY: [Signature]
 Deputy Clerk
 Date of Certification: 4/5/17

4. Debtor's address

<p>Principal place of business</p> <p><u>3231 Southeast Sixth Avenue</u> Number Street</p> <p><u>Topoka KS 66607-2207</u> City State Zip Code</p> <p><u>Shawnee</u> County</p>	<p>Mailing address, if different from principal place of business</p> <p>Number Street _____</p> <p>P.O. Box _____</p> <p>City State Zip Code _____</p> <p>Location of principal assets, if different from principal place of business</p> <p>Number Street _____</p> <p>City State Zip Code _____</p>
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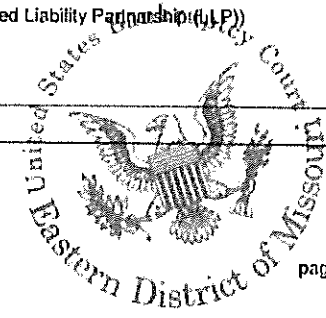
5. Debtor's website (URL) http://www.payless.com

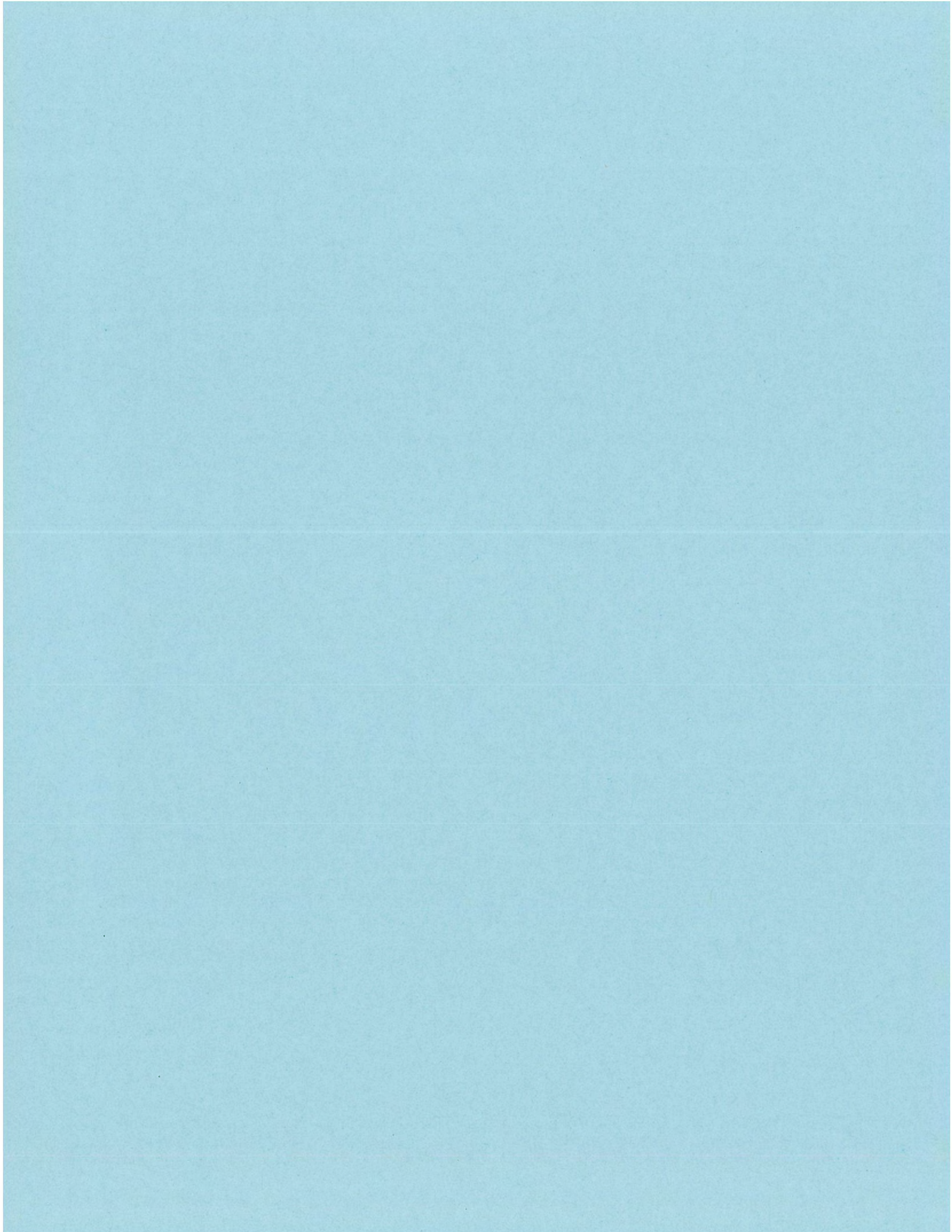
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional page, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Shoe Sourcing, Inc. Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years _____ Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Include any assumed names, trade names, and doing business as names _____ By: [Signature]
Deputy Clerk
Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 48-1234075

4. Debtor's address

<p>Principal place of business</p> <p><u>3231 Southeast Sixth Avenue</u> Number Street</p> <p><u>Topoka</u> <u>KS</u> <u>66607-2207</u> City State Zip Code</p> <p><u>Shawnee</u> County</p>	<p>Mailing address, if different from principal place of business</p> <p>Number Street</p> <p>P.O. Box</p> <p>City State Zip Code</p> <p>Location of principal assets, if different from principal place of business</p> <p>Number Street</p> <p>City State Zip Code</p>
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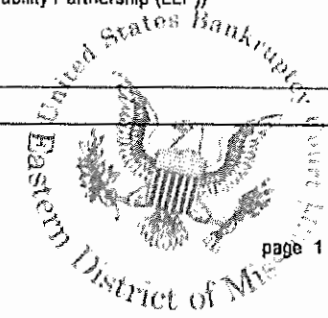
5. Debtor's website (URL) http://www.payless.com

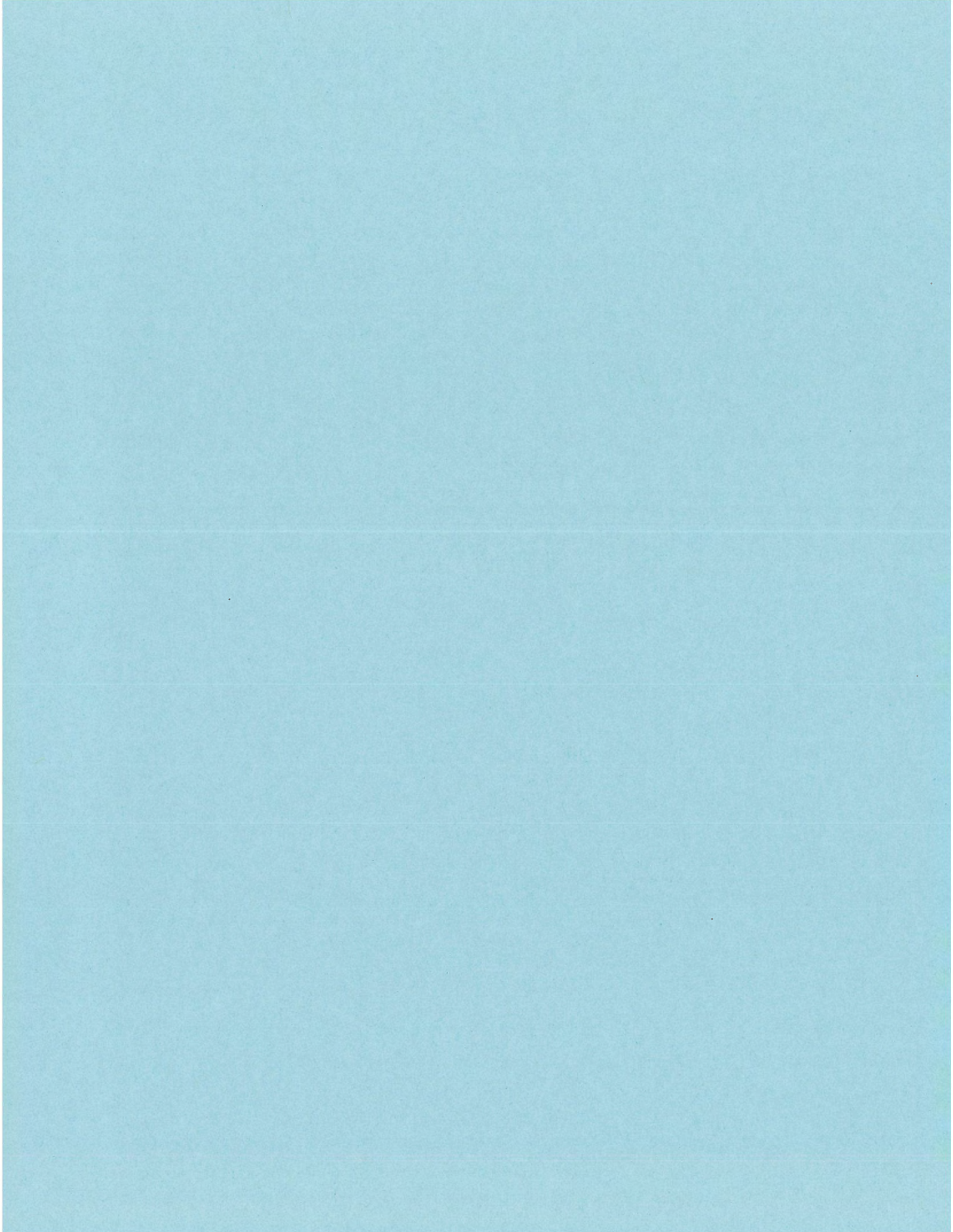
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
 Eastern District of Missouri
 (State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name PSS Delaware Company 4, Inc.

Total # Pages of Document
(With Attachments): 602

2. All other names debtor used in the last 8 years

Attest: Dana C. McWay

Include any assumed names, trade names, and doing business as names

Clerk of Court, USBC-EDMO

By: Mary Beaudette
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 48-1221466

Date of Certification: 4/5/17

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

3231 Southeast Sixth Avenue

Number Street

Number Street

P.O. Box

Topeka KS 66607-2207

City State Zip Code

City State Zip Code

Location of principal assets, if different from principal place of business

Shawnee

County

Number Street

City State Zip Code



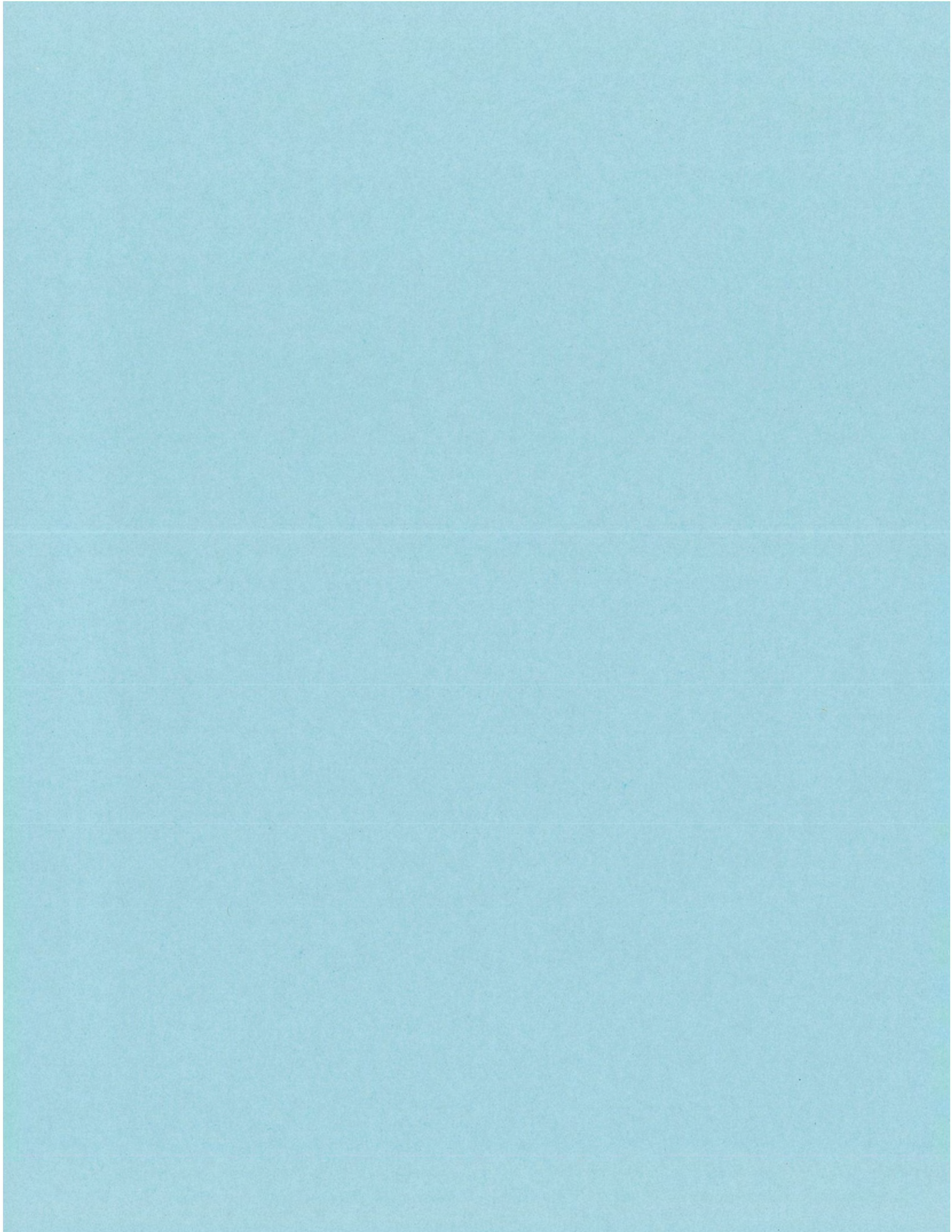
5. Debtor's website (URL) http://www.payless.com

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____



CERTIFIED AS A TRUE COPY OF THE ORIGINAL DOCUMENT

Filed: 4-4-17

Total # Pages of Document (With Attachments): 62

Attest: Dana C. McWain Check if this is an
Clerk of Court, USBC-300 Expedited filing

By: D. McWain
Deputy Clerk
Date of Certification: 4/5/17

Fill in this information to identify the case:	
United States Bankruptcy Court for the: Eastern District of Missouri (State)	
Case number (if known): _____	Chapter <u>11</u>

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's Name PSS Canada, Inc.

2. All other names debtor used in the last 8 years
Include any assumed names, trade names, and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) 74-2834969

4. Debtor's address

<p>Principal place of business</p> <p><u>3231 Southeast Sixth Avenue</u> Number Street</p> <hr/> <p><u>Topoka</u> <u>KS</u> <u>66607-2207</u> City State Zip Code</p> <hr/> <p><u>Shawnoo</u> County</p>	<p>Mailing address, if different from principal place of business</p> <p>Number Street</p> <hr/> <p>P.O. Box</p> <hr/> <p>City State Zip Code</p> <hr/> <p>Location of principal assets, if different from principal place of business</p> <p>Number Street</p> <hr/> <p>City State Zip Code</p>
--	--

5. Debtor's website (URL) http://www.payless.com

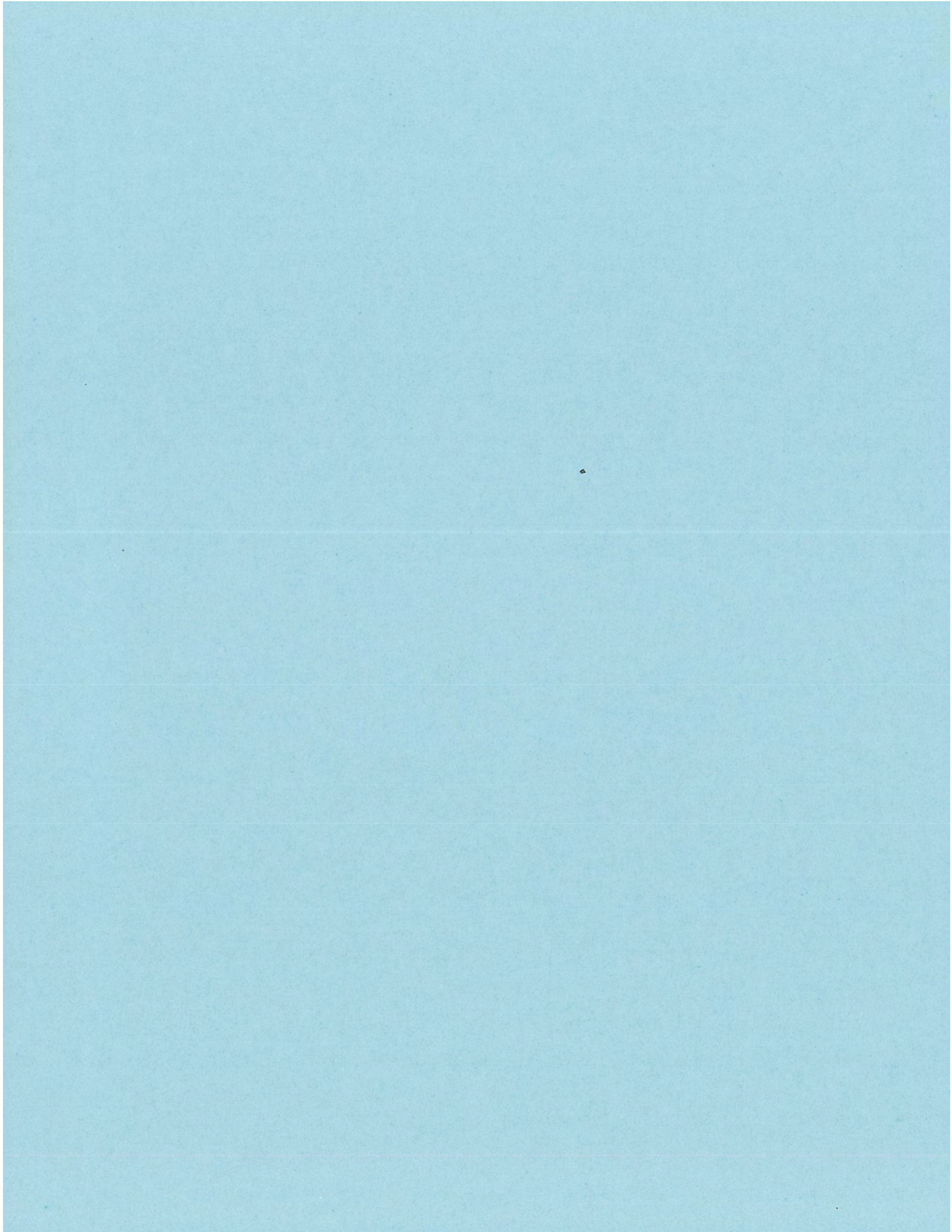
6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless ShoeSource, Inc. Total # Pages of Document (With Attachments): 62

2. All other names debtor used in the last 8 years _____ Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Include any assumed names, trade names, and *doing business as* names _____
By: Mary Mitchell
Deputy Clerk

3. Debtor's federal Employer Identification Number (EIN) 48-0674097 Date of Certification: 4/5/17

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	_____
Number Street	Number Street
_____	_____
<u>Topoka KS 66607-2207</u>	P.O. Box _____
City State Zip Code	City State Zip Code
_____	_____
<u>Shawnee</u>	Location of principal assets, if different from principal place of business
County	Number Street _____
_____	_____
_____	City State Zip Code _____



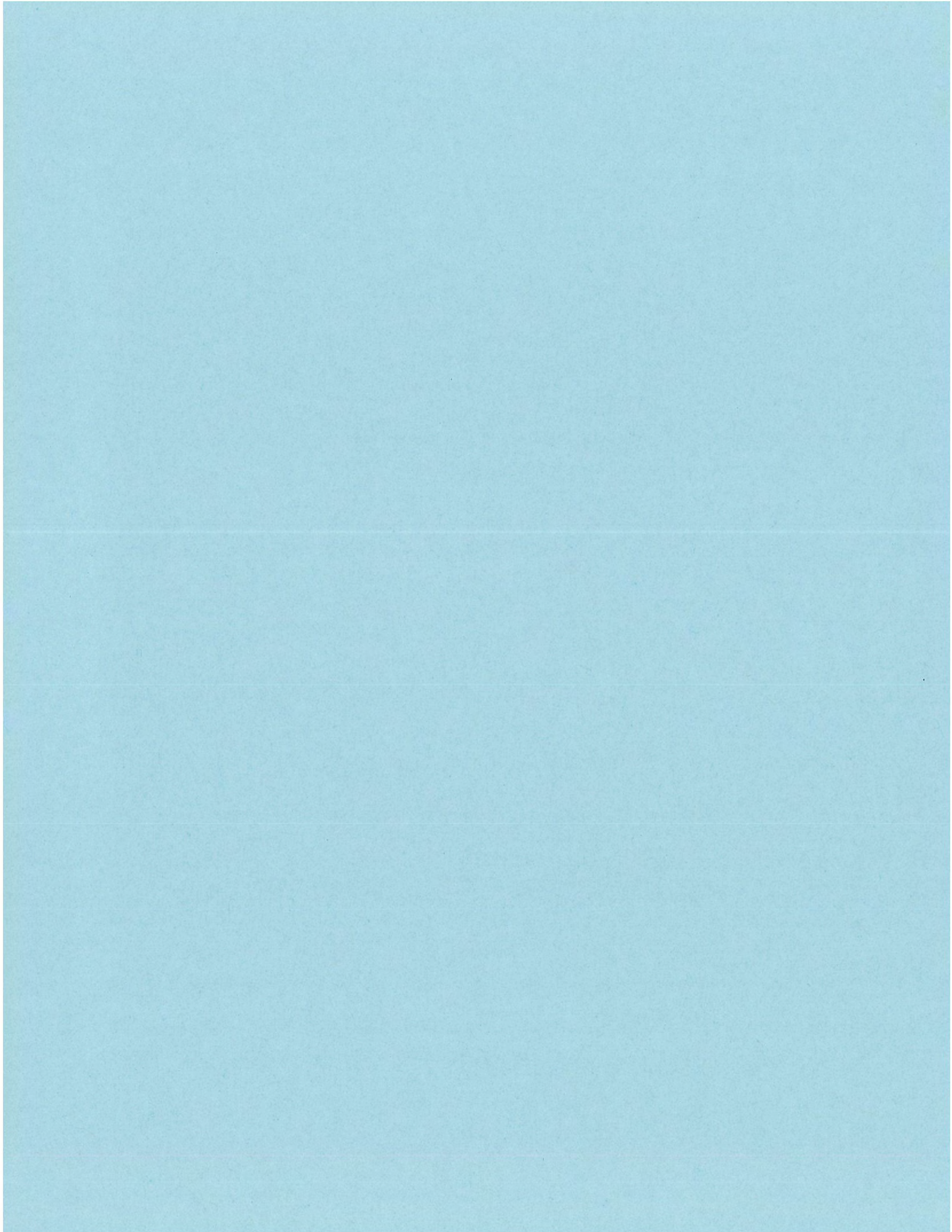
5. Debtor's website (URL) http://www.payless.com

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership (excluding LLP)

Other. Specify: _____



Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

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CERTIFIED AS A TRUE COPY
OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless ShoeSource Worldwide, Inc. Total # Pages of Document (With Attachments): 602

2. All other names debtor used in the last 8 years _____ Attest: Dana C. McWay
Clerk of Court, USBC-EDMO
Include any assumed names, trade names, and doing business as names _____ By: Mary Priddy
Deputy Clerk
Date of Certification: 4/5/17

3. Debtor's federal Employer Identification Number (EIN) 43-1646884

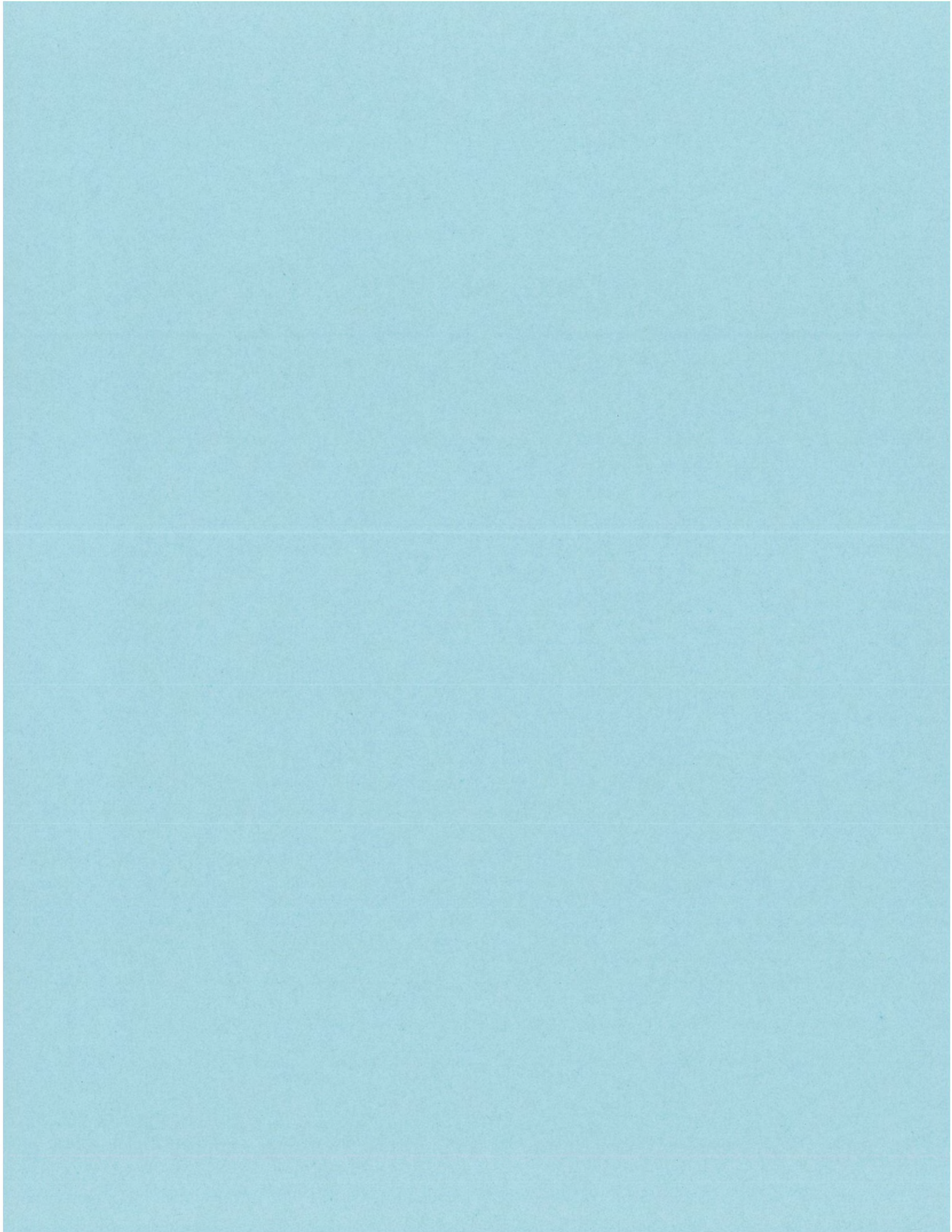
4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	_____
Number Street	Number Street
_____	_____
<u>Topeka KS 66607-2207</u>	P.O. Box _____
City State Zip Code	City State Zip Code
_____	Location of principal assets, if different from principal place of business
<u>Shawnee</u>	_____
County	Number Street
_____	_____
_____	City State Zip Code

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____





Fill in this information to identify the case:

United States Bankruptcy Court for the:
Eastern District of Missouri
(State)

Case number (if known): _____ Chapter 11

Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

ORIGINAL FILED BY: [Signature]
OF THE ORIGINAL DOCUMENT

Filed: 4/4/17

1. Debtor's Name Payless ShoeSource of Puerto Rico, Inc. Total # Pages of Document (With Attachments) : 62

2. All other names debtor used in the last 8 years _____
 Attest: Dana C. McWay
 Clerk of Court, USBC-EDMO
 Include any assumed names, trade names, and doing business as names _____
 By: [Signature]
 Deputy Clerk
 Date of Certification: 4/5/17

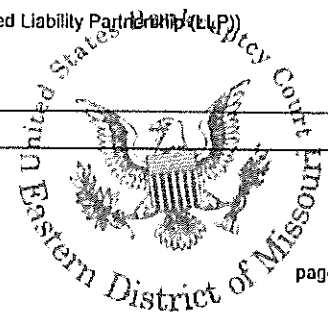
3. Debtor's federal Employer Identification Number (EIN) 66-0479017

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
<u>3231 Southeast Sixth Avenue</u>	_____
Number Street	Number Street
_____	_____
<u>Topeka KS 66607-2207</u>	P.O. Box _____
City State Zip Code	City State Zip Code
_____	_____
<u>Shawnoo</u>	Location of principal assets, if different from principal place of business
County	Number Street _____
_____	_____
_____	City State Zip Code _____

5. Debtor's website (URL) http://www.payless.com

6. Type of debtor
 Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
 Partnership (excluding LLP)
 Other. Specify: _____



IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

Court File No:

AND IN THE MATTER OF PAYLESS HOLDINGS LLC, PAYLESS SHOESOURCE CANADA INC.,
PAYLESS SHOESOURCE CANADA GP INC. AND THOSE OTHER ENTITIES LISTED ON SCHEDULE "A" HERETO

APPLICATION OF PAYLESS HOLDINGS LLC UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36 AS AMENDED

Applicant

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

AFFIDAVIT OF LIPI MISHRA
Sworn April 7, 2017

OSLER, HOSKIN & HARCOURT, LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman LSUC# 44066M
Tel: 416.862.4908
mwasserman@osler.com

John MacDonald LSUC# 25884R
Tel: 416.862.5672
jmacdonald@osler.com

Shawn T. Irving LSUC# 50035U
Tel: 416.862.4733
sirving@osler.com

Fax: 416.862.6666

Lawyers for the Applicant