

No. S-171026
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
SHOEME TECHNOLOGIES LIMITED
SHOES.COM TECHNOLOGIES INC.

DEANS KNIGHT CAPITAL MANAGEMENT LTD

PETITIONER

- and -

SHOEME TECHNOLOGIES LIMITED
SHOES.COM TECHNOLOGIES INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION
(APPROVAL AND VESTING ORDER)

BEFORE THE HONOURABLE

JUSTICE WARREN

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)
)

FRIDAY, THE 31ST DAY OF

MARCH, 2017

ON THE APPLICATION of the Receiver, Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of Shoeme Technologies Limited and Shoes.com Technologies Inc. (the “**Debtor**”), coming on for hearing at Vancouver, British Columbia on the 31st day of March, 2017; AND ON HEARING Magnus Verbrugge, counsel for the Receiver, and those other counsel listed on Schedule “A” hereto, and no one appearing for the Respondents, although duly served; AND UPON READING the material filed, including the Report of the Receiver, dated March 27, 2017 (the “**Report**”);

THIS COURT ORDERS that:

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient, and this application is properly returnable today.
2. The sale transaction (the "**Transaction**") contemplated by the Bill of Sale (Absolute) dated as of March 31, 2017 (the "**Bill of Sale**") between the Receiver and Wal-Mart Stores, Inc. (the "**Purchaser**"), a copy of which is attached as Appendix "E" to the Report is hereby approved, and the Bill of Sale is commercially reasonable. The execution of the Bill of Sale by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents, including any minor amendments agreed to by the Receiver and the Purchaser, as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Bill of Sale and listed in Schedule "B" hereto (the "**Purchased Assets**").
3. Without limiting the generality of the foregoing, the Receiver will provide to the Purchaser reasonable assistance in transferring the Purchased Assets, including, where appropriate, providing account credentials for on-line services, such as log-in user names and passwords, to the extent reasonably necessary to effect the intended transfer, or taking such steps and providing such cooperation and assistance using retained account credentials to effect the transfers through any facilities through such on-line services.
4. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule "C" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Bill of Sale shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated February 15, 2017; and

(ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the “**Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. Upon presentation for registration in the Office of the Registrar of Trademarks in the Canadian Intellectual Property Office of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, the Registrar of Trademarks in the Canadian Intellectual Property Office is to register the transfer of the Debtor’s Canadian trademark registration set out in Schedule “B” to the Purchaser.
6. Upon presentation of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, each registrar of a domain name forming part of the Purchased Assets is to transfer registration and administration of the domain name to the Purchaser.
7. Upon presentation of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, each service provider maintaining a social media account forming part of the Purchased Assets is to transfer registration and administration of the social media account to the Purchaser.
8. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver’s Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
9. The Receiver is to file with the Court a copy of the Receiver’s Certificate forthwith after delivery thereof.

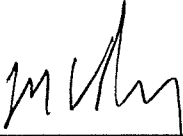
10. Subject to the terms of the Bill of Sale, possession of the Purchased Assets shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Bill of Sale).
11. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
12. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation

13. THIS COURT HEREBY REQUESTS the aid and recognition of any domestic or foreign court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

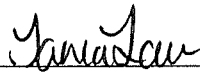
14. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
15. Endorsement of this Order by counsel appearing, other than counsel for the Receiver, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

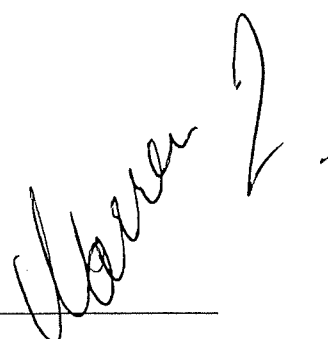


Signature of ☐ party ☒ lawyer for the Receiver
Magnus Verbrugge

By the Court.



Registrar





SCHEDULE "A"

COUNSEL LIST	
NAME	PARTY REPRESENTED
MAGNUS VERBRUGGE	ALVAREZ & MARSALE CANADA INC.
PETER REARDON	WAL-MART STORES, INC
TEUTA JEFFRIES	DEANS KNIGHT CAPITAL MANAGEMENT LTD.
BRIGITA RICHDALE	WELLS FARGO

Schedule B – Purchased Assets

Shoes.com Technologies domain names and intellectual property, including, but not limited to, the following:

Domain Names

Shoes.com-related domain names (for greater certainty, excluding “ShoeMe” and related domain “Me” names), including but not limited to:

Domain	Registrant*	Registrar*	Creation Date*	Expiry Date*
SHOES.COM	PERFECT PRIVACY, LLC (Florida) for Vendor	NETWORK SOLUTIONS, LLC [2] (Virginia)	02-Nov-1994	22-Jan-2026
SHOES-US.CA	Vendor**	Go Daddy Domains Canada, Inc. (Ontario)	11-Sep-2015	11-Sep-2020
SHOES-US.CO	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020
SHOES-US.ORG	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	11-Sep-2020
SHOES-US.US	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020
SHOES-USA.CA	Vendor**	Go Daddy Domains Canada, Inc. (Ontario)	11-Sep-2015	11-Sep-2020
SHOES-USA.CO	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020
SHOES-USA.COM	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	11-Sep-2020
SHOES-USA.ORG	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	11-Sep-2020
SHOES-USA.US	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020
SHOESUSA.CA	Vendor**	Go Daddy Domains Canada, Inc. (Ontario)	11-Sep-2015	11-Sep-2020
SHOESUSA.CO	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020

Domain	Registrant*	Registrar*	Creation Date*	Expiry Date*
SHOESUSA.ORG	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	11-Sep-2020
SHOESUSA.US	SHOEme Technologies Ltd. (BC)	GoDaddy.Com, LLC [146] (Delaware)	11-Sep-2015	10-Sep-2020
SHHHOES.COM	Shoes.com Inc. (Missouri)	CSC CORPORATE DOMAINS, INC. [299] (Delaware)	22-May-2008	22-May-2017
SSSHOES.COM	Shoes.com Inc. (Missouri)	CSC CORPORATE DOMAINS, INC. [299] (Delaware)	22-May-2008	22-May-2017

* Further information provided for further context and not intended to reduce, limit or prescribe the domain names listed.

** Registrant information not available due to CIRA privacy rules.

Registered Trademarks

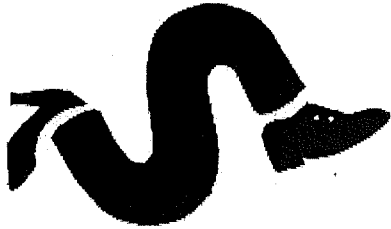
Reference #	Mark	Country	Application #	Filing Date	Registration Date	Registration #
718202.184	SHOES.COM & Design	Japan	2002-456	1/8/2002	5/30/2003	4677086
718202.3380	SHOES.COM (Stylized)	Canada	1401252	6/27/2008	6/21/2010	TMA770,346

Social Media and Other

Unregistered trademarks and logos including, but not limited to, the following:



SHOES.COM



shoes.com



shoes.com: Your online source for everything shoes

GLOBAL SHIPPING.
100\$ OF BRANDS.
THE HELP YOU NEED.

SHOES.COM

EST. 1996

Any goodwill, social media accounts, accounts, instruments, general intangibles related to use of the Shoes.com Technologies domain names or uniform resource locators, including but not limited to the following social media accounts used in connection with shoes.com:

- Facebook "SHOES.COM" www.facebook.com/shoesdotcom
- Google Display Network (GDN) ad group and account for shoes.com
- Twitter "shoes.com" @shoesdotcom
- Instagram "SHOES.COM" @shoesdotcom
- Google "SHOES.COM" "+Shoesdotcom
- Wanelo "Shoes.com" www.wanelo.com/shoesdotcom
- Polyvore shoesdotcom.polyvore.com
- Pinterest "SHOES.COM" www.pinterest.com/shoesdotcom
- YouTube "SHOES.COM" <https://www.youtube.com/user/shoescom>
- Snapchat: Username SHOESDOTCOM
- LinkedIn: "Shoes.com" <https://www.linkedin.com/company/shoes-com>

Domain Name Licence Agreement made as of March 31, 2015 between 1006903 B.C. Ltd. (now Shoes.com Technologies Inc.) and Shoes.com, Inc., subject to Paragraph 28 of the Order Made After Application (Receivership Order), pronounced by Mr. Justice Grauer on February 15, 2017 in Vancouver Registry Action No. S-171026, and the Purchaser covenants and agrees to comply with Paragraph 28 of such Order and hereby fully indemnifies the Vendor in respect of any loss, damage, or liability incurred by the Vendor as a result of any breach by the Purchaser in respect thereof.

Schedule C – Receiver’s Certificate

No. S-171026
Vancouver Registry

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IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF
SHOEME TECHNOLOGIES LIMITED
SHOES.COM TECHNOLOGIES INC.**

AMONG:

DEANS KNIGHT CAPITAL MANAGEMENT LTD.

PETITIONER

AND:

**SHOEME TECHNOLOGIES LIMITED
SHOES.COM TECHNOLOGIES INC.**

RESPONDENTS

RECEIVER’S CERTIFICATE

- A. Pursuant to the Order of the Court dated February 3, 2017, Alvarez & Marsal Canada Inc. was appointed as Receiver of the assets, undertakings and properties of Shoeme Technologies Limited.
- B. Pursuant to the Order of the Court dated February 15, 2017, Alvarez & Marsal Canada Inc. was appointed as Receiver of the assets, undertakings and properties of Shoes.com Technologies Inc.
- C. Pursuant to an Order of the Court dated March 31, 2017 (the “**Approval and Vesting Order**”), the Court approved the sale of the Purchased Assets to Wal-Mart Stores, Inc. (the “**Purchaser**”), providing for the vesting in the Purchaser of all of Shoes.com Technologies Inc.’s right, title and interest in and to the Purchased Assets (as defined in the Bill of Sale), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser

of the Purchase Price for the Purchased Assets; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

- D. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Approval and Vesting Order.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets pursuant to the Bill of Sale; and
2. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____, 2017.

**ALVAREZ & MARSAL CANADA INC., in
its capacity as Receiver of Shoes.com
Technologies Inc.**

Per: _____
Name:
Title: