

Court File No. CV-19-00614629-00CL

**PAYLESS SHOESOURCE CANADA INC. and
PAYLESS SHOESOURCE CANADA GP INC.**

EIGHTH REPORT OF FTI CONSULTING CANADA INC., AS MONITOR

February 13, 2020

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
PAYLESS SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA
GP INC.

(the "**Applicants**")

EIGHTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR

A. INTRODUCTION

1. On February 18, 2019, Payless Holdings LLC and certain of its subsidiaries and affiliates commenced cases under Chapter 11 of Title 11 of the United States Bankruptcy Code (collectively, the "**U.S. Proceedings**") in the United States Bankruptcy Court for the Eastern District of Missouri (the "**U.S. Court**").
2. On February 19, 2019, Payless ShoeSource Canada Inc. ("**PSSC**") and Payless ShoeSource Canada GP Inc. (together with PSSC, the "**Applicants**"), which were debtors in the U.S. Proceedings, sought and obtained an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The benefits, protections, authorizations and restrictions of the Initial Order were also extended to Payless ShoeSource Canada LP ("**Payless Canada LP**", and together with the Applicants, the "**Payless Canada Entities**", and together with the additional entities subject to the U.S. Proceedings, the "**Debtors**"). The proceedings commenced under the CCAA by the Payless Canada Entities are referred to herein as the "**CCAA Proceedings**".

3. The Initial Order, among other things:
 - (a) appointed FTI Consulting Canada Inc. ("**FTI**") as monitor of the Payless Canada Entities (in such capacity, the "**Monitor**") in the CCAA Proceedings;
 - (b) granted a stay of proceedings (the "**Stay of Proceedings**") against the Payless Canada Entities until and including March 21, 2019;
 - (c) approved the engagement of Ankura Consulting Group, LLC ("**Ankura**") as Chief Restructuring Organization of the Payless Canada Entities; and
 - (d) approved a cross-border protocol.
4. On February 21, 2019, this Court granted an Order approving a liquidation consulting agreement dated February 12, 2019 (the "**Liquidation Consulting Agreement**") between certain of the Debtors (including the Payless Canada Entities) and a contractual joint venture comprised of Great American Group, LLC and Tiger Capital Group, LLC (together, the "**Consultant**"). Pursuant to the Liquidation Consulting Agreement, the Debtors engaged the Consultant to advise the Debtors with respect to the liquidation of inventory and certain fixtures at the stores identified in the Liquidation Consulting Agreement.
5. On March 20, 2019, this Court granted an Order granting the Payless Canada Entities an extension of the Stay of Proceedings until and including June 7, 2019 and approving the Pre-Filing Report, the First Report, the Second Report and the activities of the Proposed Monitor and the Monitor, as applicable.
6. On April 24, 2019, this Court granted an Order (the "**Claims Procedure Order**") approving a claims procedure to solicit and identify (but not resolve) certain claims against the Payless Canada Entities (the "**Claims**").
7. Also on April 24, 2019, this Court granted an Order (the "**Amended Cash Flow Order**") that, *inter alia*, approved the Third Report and authorized the Payless Canada Entities to transfer funds to other Debtors, subject to the existing security interest of the Term Loan Lenders, (a) materially consistent with the Cash Flow Statement (as defined in the Amended Cash Flow Order), (b) in such amounts as may be determined by the Payless

Canada Entities with the prior written consent of the Monitor, or (c) as otherwise ordered by the Court.

8. On June 4, 2019, this Court granted an Order (the "**Second Stay Extension Order**") granting the Payless Canada Entities an extension of the Stay of Proceedings until and including September 20, 2019 and approving the Fourth Report and the activities of the Monitor. The Second Stay Extension Order also approved the fees and disbursements of the Monitor for the period from February 19, 2019 to May 19, 2019, and of counsel to the Monitor for the period from February 19, 2019 to May 17, 2019.
9. On September 17, 2019, this Court granted an Order (the "**Third Stay Extension Order**"), *inter alia*:
 - (a) granting the Payless Canada Entities an extension of the Stay of Proceedings until and including December 20, 2019;
 - (b) lifting the Stay of Proceedings, to the extent necessary, for the limited purpose of allowing the Payless Canada Entities to apply to the U.S. Court to dismiss the Payless Canada Entities' U.S. Proceedings;
 - (c) ordering that all references to Cash Flow Statement in the Initial Order shall mean the Cash Flow Statement attached to the Fifth Report;
 - (d) approving the fees and disbursements of the Monitor for the period from May 20, 2019 to August 31, 2019, and of counsel to the Monitor for the period from May 18, 2019 to August 31, 2019; and
 - (e) approving the Fifth Report and the activities of the Monitor.
10. On September 17, 2019, the Monitor filed a Supplement to the Fifth Report (the "**Supplemental Report**") which provided a summary of the Original CCAA Plan (as defined below).
11. On September 19, 2019, this Court granted an Order (the "**Meetings Order**"), *inter alia*, accepting the filing of the Payless Canada Entities' proposed plan of compromise and arrangement dated September 17, 2019 (the "**Original CCAA Plan**") and authorizing the

convening of the meetings of creditors to consider and vote on the Original CCAA Plan (the "**Creditors' Meetings**").

12. On October 16, 2019, the Payless Canada Entities served on the CCAA Proceedings service list the First Amended and Restated CCAA Plan (the "**First Amended CCAA Plan**") and plan supplement to the First Amended CCAA Plan (the "**Plan Supplement**").
13. On October 17, 2019, in accordance with the Meetings Order and the CCAA, the Monitor filed its Sixth Report, which report included a description of the First Amended CCAA Plan and the Monitor's assessment thereof.
14. On October 23, 2019, the Monitor filed its Seventh Report which, *inter alia*, reported on the approval of the First Amended CCAA Plan by the requisite majorities of Affected Creditors at the Creditors' Meetings, the Payless Canada Entities request for an Order sanctioning the First Amended CCAA Plan pursuant to section 6 of the CCAA, extending the Stay of Proceedings to and including February 28, 2020 (the "**Fourth Stay Extension**") and lifting the Stay of Proceedings, to the extent necessary, for the limited purpose of permitting the forgiveness or cancellation in whole or in part of the Intercompany Claims as set out in the U.S. Plan (the "**Sanction Order**") and the Monitor's request for a receivership Order (the "**Receivership Order**"). A copy of the Seventh Report without appendices is attached hereto as Appendix "A".
15. On October 23, 2019, the U.S. Court confirmed the joint plan of reorganization (the "**U.S. Plan**") filed in respect of the Debtors in the U.S. Proceedings other than the Payless Canada Entities who were not proponents under the U.S. Plan (the "**U.S. Debtors**").
16. On October 29, 2019, the Court granted:
 - (a) the Sanction Order in respect of the First Amended CCAA Plan; and
 - (b) the Receivership Order as contemplated under the First Amended CCAA Plan, appointing FTI as Receiver (as defined below) over the Receivership Property, such appointment to only be effective upon the occurrence of certain future events including the occurrence of the Affected Creditor Distribution Date and the service

of the receivership certificate attached as schedule "A" to the Receivership Order (the "**Receivership Certificate**") on the Service List.

17. The U.S. Plan was implemented on January 14, 2020 and the First Amended CCAA Plan was implemented on January 16, 2020. As the Payless Canada Entities were not proponents under the U.S. Plan, the U.S. Court entered an Order on January 16, 2020 that dismissed the Payless Canada Entities' U.S. Proceedings as of January 14, 2020.

B. PURPOSE

18. The purpose of this Eighth Report of the Monitor (the "**Eighth Report**") is to report to the Court on:
- (a) an update with respect to the implementation of the First Amended CCAA Plan and the U.S. Plan;
 - (b) the Affected Creditor Distribution Date and the Receivership (as defined below);
 - (c) the receipts and disbursements of the Payless Canada Entities for the period from October 5, 2019 to January 16, 2020;
 - (d) the current balances of the Administrative Reserve, the Directors' Claim Reserve, the Post-Filing Claim Reserve (collectively with the Administrative Reserve and the Directors' Claim Reserve, the "**Reserves**"), and the Affected Creditor Distribution Account;
 - (e) the Payless Canada Entities' motion returnable February 21, 2020 (the "**February 21 Motion**") seeking, among other things, the granting of the Fifth Stay Extension Order (defined below) which, if granted, would:
 - i. extend the Stay of Proceedings up to and including September 25, 2020 (the "**Fifth Stay Extension**");
 - ii. approve this Eighth Report of the Monitor and the activities of the Monitor as described herein; and

- iii. approve the fees and disbursements of the Monitor and its counsel, Bennett Jones LLP, as set out in the Fee Affidavits (as defined below).

C. TERMS OF REFERENCE

19. In preparing the Eighth Report, the Monitor has relied upon audited and unaudited financial information provided by the Debtors, including their books and records, financial information, forecasts and analysis, in addition to discussions with various parties, including senior management ("**Management**") of, and advisors to, the Payless Canada Entities, the other Debtors, and Ankura (collectively, the "**Information**").
20. Except as otherwise described in the Eighth Report:
 - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in the Eighth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
21. Future-oriented financial information reported in or relied on in preparing the Eighth Report is based on Management's and Ankura's assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.
22. The Monitor has prepared the Eighth Report in connection with the February 21 Motion. The Eighth Report should not be relied on for any other purpose.
23. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
24. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Seventh Report, the First Amended CCAA Plan, the Sanction Order or the Receivership Order, as applicable.

D. UPDATE ON THE IMPLEMENTATION OF THE FIRST AMENDED CCAA PLAN AND THE U.S. PLAN

25. Shortly before the entry of the Sanction Order in respect of the First Amended CCAA Plan on October 29, 2019, the U.S. Court confirmed the U.S. Plan. Following the entry of the Sanction Order, the U.S. Debtors and the Payless Canada Entities worked towards implementation of their respective plans.
26. Implementation of the U.S. Plan was a condition precedent to the implementation of the First Amended CCAA Plan. Due to ongoing negotiations in relation to the U.S. Proceedings for the purposes of finalizing and implementing the U.S. Plan, the Payless Canada Entities were not able to implement the First Amended CCAA Plan by the original Outside Date of December 31, 2019. The Supporting Term Loan Lenders agreed to the Payless Canada Entities' request to extend the Outside Date under the First Amended CCAA Plan to January 15, 2020, and then again to January 16, 2020. Due to circumstances in the U.S. Proceedings, the reasonability of the short extension requested by the Payless Canada Entities', and agreement from the Supporting Term Loan Lenders, the Monitor consented to the short extensions to amend the Outside Date to January 16, 2020.
27. The U.S. Plan was implemented on January 14, 2020 and the First Amended CCAA Plan was implemented shortly thereafter on January 16, 2020 (the "**Plan Implementation Date**"). A copy of the Monitor's certificate as filed is attached hereto as Appendix "B".
28. On the Plan Implementation Date, and commencing at the Effective Time (as defined in the First Amended CCAA Plan):
 - (a) The Payless Canada Entities funded the Reserves and the Affected Creditor Distribution Account in accordance with the First Amended CCAA Plan;
 - (b) In accordance with the First Amended CCAA Plan, and as there were no Priority Claims, the Priority Claim Reserve Account was not funded, and accordingly, the Monitor, on behalf of the Payless Canada Entities, did not pay any Priority Claims;
 - (c) The Administration Charge and the Directors' Charge continued but attached solely against the Administrative Reserve and the Directors' Claim Reserve, respectively;

- (d) The Landlord Claims became entitled to the treatment set out in section 4.2 of the First Amended CCAA Plan;
 - (e) The General Unsecured Claims became entitled to the treatment set out in sections 4.1, 4.7 and 6.2(b) of the First Amended CCAA Plan;
 - (f) The compromises with the General Unsecured Creditors and the Landlords and the release of the Released Parties referred to in the First Amended CCAA Plan became effective in accordance with section 4.7 and Article 8 of the First Amended CCAA Plan and as otherwise set forth in the Sanction Order; and
 - (g) The Intercompany Claims were resolved as contemplated in the Plan Supplement.
29. The Payless Canada Entities and the Monitor are working to reconcile any remaining Claims against the Directors' Reserve and the Post-Filing Claims Reserve and are working expeditiously to have any necessary tax returns prepared and filed. The reconciliation, filing, and finalization of the tax returns with the appropriate taxation authorities may take several months, following which, the Payless Canada Entities expect to return to Court to seek the release of the Reserves.
30. In an Order by the U.S. Court on January 16, 2020, the Payless Canada Entities' U.S. Proceedings were dismissed effective on the Effective Date (as defined in the U.S. Plan) of the U.S. Plan.

E. AFFECTED CREDITOR DISTRIBUTION DATE AND THE RECEIVERSHIP

31. As contemplated by the First Amended CCAA Plan and the Claims Procedure Order, the Monitor and the Payless Canada Entities are working towards successfully resolving all Affected Claims.
32. A condition precedent to all distributions or other payments under the First Amended CCAA Plan was the receipt of a comfort letter from the Canada Revenue Agency (the "**Comfort Letter**"). On November 1, 2019, the Payless Canada Entities received the Comfort Letter from the Canada Revenue Agency.

33. The Affected Creditor Distribution Date has not yet occurred as the Payless Canada Entities and the Monitor continue to review and resolve a limited number of Claims. The Payless Canada Entities and the Monitor expect to declare the Affected Creditor Distribution Date and commence distributions to Affected Creditors in the next few weeks.
34. Under the First Amended CCAA Plan, from and after the Affected Creditor Distribution Date, the Monitor shall, subject to section 6.1 of the First Amended CCAA Plan, distribute to such Affected Creditor, Cash in accordance with Article 4 of the First Amended CCAA Plan, less any Withholding Obligation or statutory deductions required by Applicable Law.
35. The Receivership Order contemplates that once the Affected Creditor Distribution Date has occurred, FTI will be appointed as receiver (in such capacity, the "**Receiver**"), without security, of all Receivership Property (the "**Receivership**") effective upon the date of filing of the Receivership Certificate (the "**Receivership Effective Date**"). A copy of the Receivership Order is attached hereto as Appendix "C".
36. Under the First Amended CCAA Plan, the funds that would have otherwise been paid to certain employees under the First Amended CCAA Plan are to be provided to the Receiver on the Receivership Effective Date to provide funding for the Receivership that facilitates and enables former employees of the Payless Canada Entities to access the WEPP.
37. Once the Monitor and the Payless Canada Entities reconcile all remaining Claims and the Affected Creditor Distribution Date has been declared, it is FTI's intention to file the Receivership Certificate and begin administering WEPP contemporaneously with distributions being issued to Affected Creditors.

F. RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FROM OCTOBER 5, 2019 TO THE PLAN IMPLEMENTATION DATE OF JANUARY 16, 2020, AND CURRENT BALANCES OF THE RESERVES AND AFFECTED CREDITOR DISTRIBUTION ACCOUNT

38. The Payless Canada Entities' actual net cash outflow on a consolidated basis from October 5, 2019 to the Plan Implementation Date was approximately \$1.19 million, resulting in an ending cash balance of approximately \$6.42 million.

Payless Canada Entities Summary of Receipts and Disbursements (CAD '000s)	For the period from Oct. 5, 2019 to January 16, 2020	
	Actual	
Miscellaneous Receipts	\$	36
Disbursements		
Occupancy Costs		(4)
Operating Expenses, Corporate and Other		(26)
Professional Fees		(1,191)
Total Disbursements	\$	(1,221)
Net Cash Flow	\$	(1,185)
Cash		
Beginning Cash Balance	\$	7,609
Net Cash Flow		(1,185)
Ending Cash Balance as at January 16, 2020	\$	6,424

39. Miscellaneous Receipts of approximately \$0.04 million were a result of the receipt of utility deposit refunds, interest income, and other miscellaneous receipts during the period.
40. Disbursements included approximately \$0.03 million of combined Occupancy Costs and Operating Expenses, Corporate and Other disbursements, and Professional Fees of approximately \$1.2 million. Professional Fees during the period were incurred primarily for the purposes of reviewing and finalizing certain Claims in accordance with the Claims Procedure Order, preparing for and implementing the First Amended CCAA Plan in conjunction with the implementation of the U.S. Plan, assisting as required with the wind-down of the Payless Canada Entities, responding to stakeholder inquiries, and the continued administration of the CCAA Proceedings generally.
41. On the Plan Implementation Date, the Payless Canada Entities funded the bank accounts established by the Monitor to hold the Reserves (the “**Reserve Accounts**”) and Affected Creditor Distribution in the amounts set forth below in accordance with the First Amended CCAA Plan and Plan Supplement:
- (a) Post-Filing Claim Reserve of approximately \$0.91 million;

- (b) Directors' Claim Reserve of approximately \$2.00 million;
- (c) Administrative Reserve of approximately \$0.26 million; and
- (d) Affected Creditor Distribution of approximately \$1.18 million.

In total, the Payless Canada Entities funded approximately \$4.35 million to the Reserve Accounts and the Affected Creditor Distribution Account.

- 42. Pursuant to the Plan Supplement, the Administrative Reserve was established at approximately \$1.07 million less professional fees for services rendered in the month of October 2019 and thereafter. Professional Fees rendered from the month of October to the Plan Implementation Date were approximately \$0.81 million, which resulted in the Administrative Reserve Account being funded in the amount of approximately \$0.26 million.
- 43. After funding approximately \$4.35 million in relation to the Reserves and the Affected Creditor Distribution, the remaining cash in the Payless Canada Entities bank accounts of approximately \$2.07 million was distributed to Payless ShoeSource Distribution, Inc. in accordance with the First Amended CCAA Plan and as specifically directed in paragraph (g)(i) of Schedule "A" of the Plan Supplement documenting the Transaction Steps. In total, approximately \$6.42 million was distributed from the Payless Canada Entities bank account in accordance with the First Amended CCAA Plan and the Plan Supplement.
- 44. The table below provides a summary of the balances of the Reserves and Affected Creditor Distribution Account from the Plan Implementation Date to February 7, 2020:

Payless Canada Entities						
Reserves and Affected Creditor Distribution Account Balances						
(CAD '000s)						
	Opening Balance		Receipts	Disbursements	Ending Balance	
Applicable Date:	16-Jan-20				7-Feb-20	
Post-Filing Claim Reserve Account	\$	908	\$	1	\$	(12) \$ 897
Directors' Claim Reserve Account		2,000		2		(0) 2,002
Administrative Reserve Account		259		0		(43) 216
Total Reserves	\$	3,167	\$	2	\$	(55) \$ 3,115
Affected Creditor Distribution Account		1,184		1		(0) 1,184
TOTAL RESERVES AND AFFECTED CREDITOR DISTRIBUTION ACCOUNT	\$	4,351	\$	3	\$	(55) \$ 4,299

[NOTE] Certain adjustments may be made between the Directors' Reserve Account and the Administrative Reserve Account to address payment of amounts required to obtain the comfort letter.

45. Commentary on the various receipts and disbursements to and from the Reserve Accounts and the Affected Creditor Distribution Account from January 16, 2020 to February 7, 2020 are as follows:

- (a) Combined receipts of approximately \$3 thousand pertain to interest income earned in the various accounts.
- (b) Subsequent to the Plan Implementation Date, with the approval of the Payless Canada Entities and/or Ankura as the Chief Restructuring Organization and the provision of proper notice to the Term Loan Agent and the Supporting Term Loan Lenders as required, the Monitor made the following disbursements:
 - i. Disbursement of approximately \$12.0 thousand from the Post-Filing Claim Reserve Account to the Payless Canada Entities' payroll service provider for the provision of statements of remuneration paid for 2019 for tax purposes to its former employees; and
 - ii. Disbursements totaling approximately \$43.0 thousand from the Administrative Reserve Account for payment of professional services rendered by various parties in relationship to the CCAA Proceedings.

46. As of February 7, 2020, the Monitor held approximately \$3.12 million total in the bank accounts for the Reserves and \$1.18 million in the Affected Creditor Distribution Account.
47. The Monitor is of the opinion that the remaining Reserves provide sufficient liquidity to the Payless Canada Entities during the Fifth Stay Extension, and to conclude the administration of the CCAA Proceedings. The Monitor will continue to report on the Reserves in its future reports.

G. REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS

48. As noted, the current Stay of Proceedings expires on February 28, 2020.
49. The Payless Canada Entities are seeking an Order (the "**Fifth Stay Extension Order**") which, *inter alia*, would extend the Stay of Proceedings up to and including September 25, 2020.
50. The Payless Canada Entities and the Monitor require the Fifth Stay Extension to administer the Reserves, reconcile any remaining claims against the Director's Reserve and the Post-Filing Claim Reserve and address any remaining corporate and tax matters.
51. The continuation of the Stay of Proceedings is necessary to provide the stability needed to complete the foregoing activities. The Monitor believes that the Fifth Stay Extension is appropriate in the circumstances as it will avoid costs of an interim Court appearance should any administrative delays arise that are within the control of third parties.
52. The intent of the Payless Canada Entities and the Monitor is to return to Court in advance of September 25, 2020 to seek termination of the CCAA Proceedings or otherwise provide an update on the administration of the Reserves as appropriate.
53. As previously indicated in this Eighth Report and considering the current balance of the Reserves, the Payless Canada Entities are forecast to have sufficient liquidity to fund the CCAA Proceedings during the requested extension of the Stay of Proceedings as well as to conclude the CCAA Proceedings.
54. Based on the information currently available, the Monitor believes that creditors of the Payless Canada Entities would not be materially prejudiced by the proposed extension of

the Stay of Proceedings. The Monitor also believes that the Payless Canada Entities have acted, and continue to act, in good faith and with due diligence and that the circumstances exist that make an extension of the Stay of Proceedings appropriate.

55. The Monitor therefore respectfully recommends that this Honourable Court grant the Payless Canada Entities' request for an extension of the Stay of Proceedings to September 25, 2020.

H. THE ACTIVITIES OF THE MONITOR AND THE FEES OF THE MONITOR AND ITS COUNSEL

56. The Fifth Stay Extension Order also seeks approval of the Eighth Report and the actions, conduct, activities, fees and disbursements of the Monitor and its counsel.
57. The Monitor respectfully submits that the activities undertaken to date in the CCAA Proceedings have been carried out in good faith and in accordance with the provisions of the orders issued therein and should therefore be approved.
58. Pursuant to paragraphs 42 and 43 of the Initial Order, the Monitor and its counsel are to:
(i) be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of the Initial Order, by the Payless Canada Entities as part of the costs of the CCAA Proceedings; and (ii) pass their accounts from time-to-time before this Court.
59. Throughout the course of the CCAA Proceedings, the fees and disbursements of the Monitor and counsel to the Monitor have been paid from time-to-time. The Monitor and counsel to the Monitor have maintained detailed records of their time and disbursements as they relate to the CCAA Proceedings.
60. The Affidavit of Paul Bishop sworn February 13, 2020 (the "**Bishop Affidavit**"), which is attached as Appendix "D", includes, at Exhibit "A" thereto, copies of the invoices rendered by the Monitor in respect of these CCAA Proceedings that have been redacted to protect certain privileged information. For the period from September 1, 2019 to January 31, 2020, the Monitor's accounts total \$358,590.00 in fees, \$50,673.82 in expenses and

disbursements and \$53,204.31 in HST for a total amount of \$462,468.13. At Exhibit "C" to the Bishop Affidavit, there is a summary of the personnel, hours and hourly rates charged by the Monitor in respect of these CCAA Proceedings.

61. The Affidavit of Sean H. Zweig sworn February 13, 2020 (the "**Zweig Affidavit**", and together with the Bishop Affidavit, the "**Fee Affidavits**"), which is attached as Appendix "E", includes, at Exhibit "A" thereto, copies of the invoices rendered by counsel to the Monitor in respect of these CCAA Proceedings that have been redacted to protect certain privileged information. For the period from September 1, 2019 to January 31, 2020, counsel to the Monitor's accounts total \$276,667.00 in fees, \$4,335.23 in expenses and disbursements and \$36,530.28 in HST for a total amount of \$317,532.51. At Exhibit "C" to the Zweig Affidavit, there is a summary of the personnel, hours and hourly rates charged by counsel to the Monitor in respect of these CCAA Proceedings.
62. The Monitor has played, and continues to play, a significant role in the CCAA Proceedings. During the relevant period, the activities of the Monitor have included:
 - (a) engaging with the Payless Canada Entities and Ankura on various matters in the CCAA Proceedings, and to the degree appropriate, the U.S. Proceedings;
 - (b) working with the Payless Canada Entities and Ankura in the development of the various cash flow forecasts for the Payless Canada Entities;
 - (c) monitoring the Payless Canada Entities' receipts and disbursements and assisting the Payless Canada Entities' with cash management;
 - (d) communicating with various creditors and other stakeholder of the Payless Canada Entities' to keep them apprised of the CCAA Proceedings;
 - (e) working cooperatively with the Payless Canada Entities to resolve all Claims submitted in accordance with the Claims Procedure Order; and
 - (f) working with the Payless Canada Entities and Ankura on the implementation of the First Amended CCAA Plan.

63. The Monitor submits that the fees and disbursements incurred by the Monitor and counsel to the Monitor, as more particularly described in the Fee Affidavits, are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Orders issued in respect of these CCAA Proceedings. The Monitor respectfully requests the approval of the fees and disbursements of the Monitor and counsel to the Monitor as set out in the Fee Affidavits.

I. CONCLUSION AND RECOMMENDATION

64. For the reasons stated in the Eighth Report, the Monitor supports the relief sought by the Payless Canada Entities in connection with the February 21 Motion.

The Monitor respectfully submits to the Court this, its Eighth Report.

Dated this 13th day of February 2020.

FTI Consulting Canada Inc.,

solely in its capacity as Monitor of Payless ShoeSource Canada Inc.,
Payless ShoeSource Canada GP Inc. and Payless ShoeSource Canada LP,
and not in its personal capacity



Greg Watson
Senior Managing Director



Paul Bishop
Senior Managing Director

APPENDIX "A"

[ATTACHED]

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**SEVENTH REPORT TO THE COURT
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IN ITS CAPACITY AS MONITOR**

A. INTRODUCTION

1. On February 18, 2019, Payless Holdings LLC and certain of its subsidiaries and affiliates commenced cases (collectively, the "**U.S. Proceedings**") under Chapter 11 of Title 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Missouri (the "**U.S. Court**").
2. On February 19, 2019, Payless ShoeSource Canada Inc. ("**PSSC**") and Payless ShoeSource Canada GP Inc. (together with PSSC, the "**Applicants**"), which are debtors in the U.S. Proceedings, sought and obtained an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The benefits, protections, authorizations and restrictions of the Initial Order were also extended to Payless ShoeSource Canada LP ("**Payless Canada LP**", and together with the Applicants, the "**Payless Canada Entities**", and together with the other Payless entities subject to the U.S. Proceedings, the "**Debtors**"). The proceedings commenced under the CCAA by the Payless Canada Entities are referred to herein as the "**CCAA Proceedings**".

3. The Initial Order, among other things:
 - (a) appointed FTI Consulting Canada Inc. ("**FTI**") as monitor of the Payless Canada Entities (in such capacity, the "**Monitor**") in the CCAA Proceedings;
 - (b) granted a stay of proceedings (the "**Stay of Proceedings**") against the Payless Canada Entities until and including March 21, 2019;
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 - (d) approved a cross-border protocol.
4. On February 21, 2019, this Court granted an order approving a liquidation consulting agreement dated February 12, 2019 (the "**Liquidation Consulting Agreement**") between certain of the Debtors (including the Payless Canada Entities) and a contractual joint venture comprised of Great American Group, LLC and Tiger Capital Group, LLC (together, the "**Consultant**"). Pursuant to the Liquidation Consulting Agreement, the Debtors engaged the Consultant to advise the Debtors with respect to the liquidation of inventory and certain fixtures at the stores identified in the Liquidation Consulting Agreement.
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7. Also on April 24, 2019, this Court granted an Order (the "**Amended Cash Flow Order**") that, *inter alia*, approved the Third Report and authorized the Payless Canada Entities to transfer funds to the Debtors, subject to the existing security interest of the Term Loan Lenders, (a) materially consistent with the Cash Flow Statement (as defined in the Amended Cash Flow Order), (b) in such amounts as may be determined by the Payless

Canada Entities with the prior written consent of the Monitor, or (c) as otherwise ordered by the Court.

8. On June 4, 2019, this Court granted an Order (the "**Second Stay Extension Order**") granting the Payless Canada Entities an extension of the Stay of Proceedings until and including September 20, 2019 and approving the Fourth Report and the activities of the Monitor. The Second Stay Extension Order also approved the fees and disbursements of the Monitor for the period from February 19, 2019 to May 19, 2019, and of counsel to the Monitor for the period from February 19, 2019 to May 17, 2019.
9. On September 17, 2019, this Court granted an Order (the "**Third Stay Extension Order**"), *inter alia*:
 - (a) granting the Payless Canada Entities an extension of the Stay of Proceedings until and including December 20, 2019;
 - (b) lifting the Stay of Proceedings, to the extent necessary, for the limited purpose of allowing the Payless Canada Entities to apply to the U.S. Court to dismiss the Payless Canada Entities' U.S. Proceedings;
 - (c) ordering that all references to Cash Flow Statement in the Initial Order shall mean the cash flow statement attached to the Fifth Report;
 - (d) approving the fees and disbursements of the Monitor for the period from May 20, 2019 to August 31, 2019, and of counsel to the Monitor for the period from May 18, 2019 to August 31, 2019; and
 - (e) approving the Fifth Report and the activities of the Monitor.
10. On September 17, 2019, the Monitor filed a Supplement to the Fifth Report (the "**Supplemental Report**") which provided a summary of the CCAA Plan (as defined below).
11. On September 19, 2019, this Court granted an Order (the "**Meetings Order**"), *inter alia*, accepting the filing of the Payless Canada Entities' proposed plan of compromise and arrangement dated September 17, 2019 (as may be amended in accordance with the terms

thereof, the "**CCAA Plan**") and authorizing the convening of the meetings of creditors to consider and vote on the CCAA Plan (the "**Creditors' Meetings**").

12. On October 16, 2019, the Payless Canada Entities served on the Service List the First Amended and Restated CCAA Plan (the "**First Amended CCAA Plan**") and plan supplement to the First Amended CCAA Plan (the "**Plan Supplement**").
13. On October 17, 2019, in accordance with the Meetings Order and the CCAA, the Monitor filed its Sixth Report, which report included a description of the First Amended CCAA Plan and the Monitor's assessment thereof. A Copy of the Sixth Report is attached hereto as Appendix "A".

B. PURPOSE

14. The purpose of this Seventh Report of the Monitor (the "**Seventh Report**") is to report to the Court on:
 - (a) the receipts and disbursements of the Payless Canada Entities for the five-week period ending October 4, 2019;
 - (b) the Payless Canada Entities' current cash balances;
 - (c) an update on the U.S. Proceedings confirmation hearing which occurred on October 23, 2019;
 - (d) the approval of the First Amended CCAA Plan by the requisite majorities of Affected Creditors at the Creditors' Meetings;
 - (e) the Payless Canada Entities' request for an Order pursuant to section 6 of the CCAA for sanction of the First Amended CCAA Plan (the "**Sanction Order**") and the Monitor's recommendation with respect thereto;
 - (f) the Receivership Order being sought by the Monitor in accordance with the First Amended CCAA Plan; and
 - (g) the Payless Canada Entities' request for the Fourth Stay Extension (as defined below) and a limited lifting of the stay of proceedings to deal with intercompany claims.

C. TERMS OF REFERENCE

15. In preparing the Seventh Report, the Monitor has relied upon audited and unaudited financial information provided by the Debtors, including their books and records, financial information, forecasts and analysis, in addition to discussions with various parties, including senior management ("**Management**") of, and advisors to, the Payless Canada Entities, the other Debtors, and Ankura (collectively, the "**Information**").
16. Except as otherwise described in the Seventh Report:
 - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in the Seventh Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
17. Future-oriented financial information reported in or relied on in preparing the Seventh Report is based on Management's and Ankura's assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.
18. The Monitor has prepared the Seventh Report in connection with the Sanction Motion. The Seventh Report should not be relied on for any other purpose.
19. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
20. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the First Amended CCAA Plan, the Plan Supplement and/or the Sanction Order, as applicable.

D. RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FIVE-WEEK PERIOD ENDING OCTOBER 4, 2019

21. The Payless Canada Entities' actual net cash outflow on a consolidated basis for the five week period ending October 4, 2019 was approximately \$1.0 million, compared to a forecast net cash outflow of approximately \$0.6 million as noted in the Fifth Cash Flow Forecast filed as Appendix "A" to the Fifth Report, representing a negative variance of approximately \$0.4 million as summarized below.

Payless Canada Entities Variance Report (CAD \$000s)	For the 5 week period ending October 4, 2019		
	Forecast	Actual	Variance
Operating Receipts	-	37	37
Operating Disbursements			
Payroll and Employee Related Costs	-	-	-
Occupancy Costs	-	-	-
Operating Expenses, Corporate, and Other	-	(19)	(19)
Total Operating Disbursements	-	(19)	(19)
Cash Flow From Operations	-	18	18
Professional Fees	(591)	(1,046)	(455)
Liquidation Costs	-	-	-
Total Non-Operating Disbursements	(591)	(1,046)	(455)
Net Cash Inflows / (Outflows)	(591)	(1,028)	(437)
Cash			
Beginning Balance	9,055	8,637	(418)
Net Cash Inflows / (Outflows)	(591)	(1,028)	(437)
Canadian Transfer Funds	-	-	-
Ending Balance	8,464	7,609	(855)

22. Explanations for the variances in actual receipts and disbursements as compared to the Fifth Cash Flow Forecast are as follows:

- (a) Operating Receipts were approximately \$0.04 million compared to a forecast amount of \$nil primarily due to the return of security deposits by certain utility companies who provided services to the stores.
- (b) Operating Disbursements were approximately \$0.02 million compared to a forecast amount of \$nil. These expenditures were forecast in a later period.

- (c) Total Non-Operating Disbursements of approximately \$1.0 million were incurred compared to a forecast amount of \$0.6 million, which resulted in a variance of approximately \$0.4 million. Professional fees incurred were higher than forecast primarily due to the work associated with the CCAA Plan and the First Amended CCAA Plan, and the preparation, coordination, and administration of the documents and discussions related thereto.

E. THE PAYLESS CANADA ENTITIES' CURRENT CASH BALANCES

- 23. The CCAA Entities currently have approximately \$7.6 million of cash in their bank accounts.
- 24. If the First Amended CCAA Plan is approved by creditors and sanctioned by the Court and pursuant to the Plan Supplement, the following reserves will be funded by the CCAA Entities (the “Reserves”) to complete the administration of the proceedings:
 - (a) Administrative Reserve \$1,065,150 (less amounts paid for October 2019)
 - (b) Directors’ Claim Reserve \$2,000,000
 - (c) Post-Filing Claim Reserve \$908,402
 - (d) Priority Claim Reserve \$0
- 25. The Monitor is of the opinion that the Reserves are sufficient to fund the Payless Canada Entities during the Fourth Stay Extension, and to conclude the administration of the CCAA Proceedings. The Reserves will be funded following approval and sanction of the plan and the Monitor will report further on the Reserves in future reports.
- 26. Should the First Amended CCAA Plan not be sanctioned by the Court, the current cash balance of \$7.6 million would be sufficient to fund the Payless Canada Entities during the Fourth Stay Extension. The current cash balance is in excess of the USD \$2 million Administration Charge and USD \$2 million D&O Charge prescribed by the Initial Order and will be held pending resolution of any claims against the charges.

F. UPDATE ON THE U.S. PROCEEDINGS

27. The Monitor understands that notwithstanding a limited objection filed by the United States Trustee, on October 23, 2019, the U.S. Plan was confirmed by the Honourable Kathy A. Surratt-States.
28. Additionally, the Monitor understands that the Payless Canadian Entities' Motion Seeking Entry of an Order Pursuant to 11 U.S.C. § 1112(b) Dismissing the Chapter 11 Cases of the Payless Canada Entities was granted, which dismissal will only become effective upon implementation of the U.S. Plan.

G. THE APPROVAL OF THE FIRST AMENDED CCAA PLAN BY AFFECTED CREDITORS

29. As previously described in further detail in the Sixth Report, the Monitor distributed the Information Package and the Notice of Creditors' Meetings and Sanction Motion in accordance with the provisions of the Meetings Order.

(i) Meeting of the General Unsecured Creditors Class

30. The meeting of the General Unsecured Creditors class (the "**General Unsecured Meeting**") was held in accordance with the Meetings Order on October 23, 2019 at the offices of Cassels, Brock & Blackwell LLP for the purpose of allowing the General Unsecured Creditors to consider and vote on the First Amended CCAA Plan. The General Unsecured Meeting was chaired by Jim Robinson, a representative of the Monitor, and was conducted in accordance with the provisions of the Meetings Order. A quorum was present for the General Unsecured Meeting.
31. At the General Unsecured Meeting, a motion for resolution to approve the First Amended CCAA Plan was made and seconded. The General Unsecured Creditors present and eligible to vote did so as follows:

	General Unsecured Creditors Class		
	Disputed Claims	Undisputed Claims	Total
# For	11	33	44
# Against	1	0	1
Total by Number	12	33	45
% For	91.67%	100.00%	97.78%
\$ For	80,043.98	418,328.92	498,372.90
\$ Against	38,323.00	-	38,323.00
Total by Value	118,366.98	418,328.92	536,695.90
% For	67.62%	100.00%	92.86%

(ii) Meeting of the Landlord Class

32. The meeting of the Landlord class (the "**Landlord Meeting**") was held in accordance with the Meetings Order on October 23, 2019 at the offices of Cassels, Brock & Blackwell LLP for the purpose of allowing the Landlords to consider and vote on the First Amended CCAA Plan. The Landlord Meeting was also chaired by Jim Robinson, a representative of the Monitor, and was conducted in accordance with the provisions of the Meetings Order. A quorum was present for the Landlord Meeting.
33. At the Landlord Meeting, a motion for resolution to approve the First Amended CCAA Plan was made and seconded. The Landlords present and eligible to vote did so as follows:

	Landlord Class		
	Disputed Claims	Undisputed Claims	Total
# For	111	13	124
# Against	2	0	2
Total by Number	113	13	126
% For	98.23%	100.00%	98.41%
\$ For	44,135,369.25	177,699.63	44,313,068.88
\$ Against	642,667.73	-	642,667.73
Total by Value	44,778,036.98	177,699.63	44,955,736.61
% For	98.56%	100.00%	98.57%

(iii) Approval of the First Amended CCAA Plan by Affected Creditors and Status of Review of Claims

34. Pursuant to section 6 of the CCAA and the Meetings Order, a majority in number representing two-thirds in value of creditors present and voting at a meeting of creditors is

required for the approval of a plan of arrangement or compromise. As described above, the requisite majorities were achieved at both the General Unsecured Meeting and Landlord Meeting and, accordingly, the First Amended CCAA Plan was approved by the Affected Creditors voting in both classes.

35. At this time, no Claims have been allowed or disallowed by the Payless Canada Entities and the Monitor, other than Listed Claims that were not disputed under the Claims Procedure Order. As noted in the tables above, there are Disputed Voting Claims that the Monitor is in the process of reviewing. In light of the proposed distributions to be made under the First Amended CCAA Plan, the Monitor is conducting a focused review of the Claims received, and has identified certain General Unsecured Claims that will need to be revised or disallowed. The Payless Canada Entities and the Monitor intend to send Notices of Revision or Disallowance to a limited number of General Unsecured Creditors in the coming weeks. Given the treatment of Landlord Claims under the First Amended CCAA Plan, the Monitor and the Payless Canada Entities do not intend to revise or disallow any Landlord Claims submitted.

H. REQUEST FOR THE SANCTION ORDER

36. The leading case of *Re Northland Properties Ltd.* (1989), 73 C.B.R. (N.S.) 195, 34 B.C.L.R. (2d) 122, [1989] 3 W.W.R. 363 (C.A.) articulates that for a plan of arrangement or compromise to be sanctioned pursuant to the CCAA, the following three (3) tests must be met:

- (a) there has been strict compliance with all statutory requirements and adherence to previous orders of the Court;
- (b) nothing has been done or purported to have been done that is not authorized by the CCAA; and
- (c) the plan is fair and reasonable.

(i) *Statutory Compliance and Adherence to Previous Court Orders*

37. The CCAA contains a number of provisions where strict compliance is required before a plan of arrangement can be sanctioned by the court.

38. Section 5.1 of the CCAA contemplates the compromise of claims against directors; however, section 5.2 mandates certain exceptions. Specifically, a provision for the compromise of claims against directors may not include claims that:
- (a) relate to contractual rights of one or more creditors; or
 - (b) are based on allegations of misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.
39. As described in the Fifth Report and the Supplemental Report and the Sixth Report, the First Amended CCAA Plan provides for broad releases to the full extent permitted by law for the Payless Canada Entities, the Term Loan Agent, the Term Loan Lenders and the Monitor, and each of their respective directors, officers, agents, professional advisors and certain other parties (each a "**Released Party**" and collectively, the "**Released Parties**") from claims based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligations, dealing or other occurrence existing or taking place on or prior to the Effective Time of the First Amended CCAA Plan arising out of or in connection with the Affected Claims, the First Amended CCAA Plan, the U.S. Proceedings, the CCAA Proceedings or any D&O Claim that has been barred or extinguished by operation of the Claims Procedure Order.
40. The releases in favour of the Released Parties (the "**Releases**") do not release or discharge:
- (a) the Payless Canada Entities and their respective assets, undertakings and properties from any Unaffected Claim that has not been paid in full under the First Amended CCAA Plan or the Plan Supplement to the extent of such non-payment;
 - (b) a Released Party from its obligations under the First Amended CCAA Plan or the Plan Supplement;
 - (c) subject to the provisions in the First Amended CCAA Plan pertaining to insurance, a Released Party found by a court of competent jurisdiction by final determination on the merits to have committed fraud or willful misconduct in relation to a Released Claim for which is it responsible at law; or

(d) the Directors from any Claims which have been preserved in accordance with the Claims Procedure Order that cannot be comprised due to the provisions of section 5.2(2) of the CCAA. To the extent not released, the proposed Sanction Order will limit recovery for such claims against the Directors to available insurance.

41. In the Monitor's opinion, each of the Released Parties was critical to the development and negotiation of the First Amended CCAA Plan, and each party did so with the expectation of receiving the Releases.

42. The proposed Sanction Order includes the customary provisions for such an order, including paragraph 24 giving effect to the releases contained in the First Amended CCAA Plan. In addition, the proposed Sanction Order contains the following provisions at paragraph 26 and 27:

26. **THIS COURT ORDERS** that, to the extent not barred, released or otherwise affected by paragraph 12 above, and notwithstanding paragraph 25 above, any Person having, or claiming any entitlement or compensation relating to, a Director/Officer Claim (with the exception of any Director/Officer Claims judged by the express terms of a judgment rendered on a final determination on the merits to have resulted from criminal, fraudulent or other wilful misconduct on the part of the Director or Officer (an “**Excluded Director/Officer Claim**”)) will be irrevocably limited to recovery in respect of such Director/Officer Claim solely from the proceeds of the applicable insurance policies held by the Payless Canada Entities (the “**Insurance Policies**”), and Persons with any Director/Officer Claims will have no right to, and shall not, directly or indirectly, make any claim or seek any recoveries from the Payless Canada Entities or any Released Party, other than enforcing such Person’s rights to be paid by the applicable insurer(s) from the proceeds of the applicable Insurance Policies. Nothing in this Plan Sanction Order prejudices, compromises, releases or otherwise affects any right or defence of any insurer in respect of an Insurance Policy or any insured in respect of a Director/Officer Claim. Notwithstanding anything to the contrary herein, from and after the Implementation Date, a Person may only commence or continue an action for an Excluded Director/Officer Claim against a Director or Officer if such Person

has first obtained leave of the Court on notice to the applicable Directors and Officers, the Monitor and the Payless Canada Entities.

27. **THIS COURT ORDERS** that from and after the Implementation Date, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any Released Party in respect of all Claims and matters which are released pursuant to Article 8 of the Plan or discharged, compromised or terminated pursuant to the Plan, except as against the applicable insurer(s) to the extent that Persons with Director/Officer Claims seek to enforce rights to be paid from the proceeds of the Insurance Policies, and provided that any claimant in respect of a Director/Officer Claim that was duly filed with the Monitor by the Claims Bar Date shall be permitted to file a statement of claim in respect thereof to the extent necessary solely for the purpose of preserving such claimant's ability to pursue such Director/Officer Claim against an insurer in respect of an Insurance Policy. Notwithstanding anything to the contrary contained herein, from and after the Implementation Date, a Person may only commence or continue an action against a Released Party in respect of a matter that is not released pursuant to Article 8.1(a)-(d) of the Plan if such Person has first obtained leave of the Court on notice to the applicable Released Party, the Payless Canada Entities, the Monitor and the insurer(s) under any applicable Insurance Policy.

43. While the Releases do not release the Directors and Officers to the extent that any Director/Officer Claims cannot be released under the CCAA, in the Monitor's reading, paragraphs 26 and 27 of the proposed Sanction Order provide for a permanent injunction for actions in respect of Director/Officer Claims, other than Excluded Director/Officer Claims¹, against any party other than the provider of the applicable insurance policies held

¹ "**Excluded Director/Officer Claim**" is defined as any Director/Officer Claims judged by the express terms of a judgment rendered on a final determination on the merits to have resulted from criminal, fraudulent or other wilful misconduct on the part of the Director or Officer.

by the Applicants (collectively, the "**Insurance Policies**"), and limits recovery for valid Director/Officer Claims solely to the proceeds of the Insurance Policies.

44. The Monitor has reviewed all Claims received pursuant to the Claims Procedure Order, and the Monitor is not aware of any Claims that would constitute section 5.1(2) Claims.
45. Section 6 of the CCAA also contains restrictions in respect of the sanction of a plan of arrangement, which restrictions are summarized as follows:
 - (a) pursuant to section 6(3) of the CCAA, a requirement that the plan provides for the payment in full of certain Crown claims within six (6) months of sanction;
 - (b) pursuant to section 6(5), a requirement that the plan provides for payment to employees and former employees, immediately after sanction, of amounts (the "**6(5) Claims**"):
 - i. that would have been payable under section 136(1)(d) of the BIA if the company had become bankrupt on the date of filing; and
 - ii. for wages, salaries, commissions or compensation for services rendered during the CCAA Proceedings;
 - (c) pursuant to section 6(6), a requirement that the plan provides for payment of certain amounts in respect of registered pension plans immediately after Court sanction unless the Court is satisfied that the relevant parties have entered into an agreement, approved by the relevant pension regulator, respecting payment of those amounts; and
 - (d) pursuant to section 6(8) of the CCAA, a restriction that no compromise or arrangement that provides for a payment of an equity claim may be sanctioned by the Court unless all non-equity claims are paid in full.
46. Section 4.4 of the First Amended CCAA Plan provides that Crown Priority Claims will be paid in full within six (6) months after the Sanction Order, as required by section 6(3) of the CCAA.

47. Section 4.4 of the First Amended CCAA Plan also provides that Employee Priority Claims will be paid in full immediately after the Sanction Order, as required by section 6(5) of the CCAA. As at the date of this Seventh Report, there are no known Crown Priority Claims or 6(5) Claims.
48. The Payless Canada Entities do not participate in a prescribed pension plan. Accordingly, it is not necessary for the First Amended CCAA Plan to provide for the payment of amounts of the type required to be paid pursuant to section 6(6) of the CCAA.
49. Section 19(2) of the CCAA provides that certain claims may not be subject to compromise or arrangement unless the creditor holding such claim has voted for the acceptance of the compromise or arrangement.
50. As described in the Fifth Report and the Supplemental Report, the First Amended CCAA Plan only compromises certain specific claims against the Payless Canada Entities. In the Monitor's view, none of the claims against the Payless Canada Entities that would be compromised under the First Amended CCAA Plan are claims of the types described in section 19(2) of the CCAA. Furthermore, the definition of "Excluded Claim" in the Claims Procedure Order specifically included any Claims that cannot be compromised pursuant to section 19(2) of the CCAA.
51. The Monitor is not aware of any instances where the Payless Canada Entities have not substantially complied with the Orders granted by this Court during the CCAA Proceedings.

(ii) *Actions Not Authorized by the CCAA*

52. The Monitor is not aware of any instances where the Payless Canada Entities have taken or have purported to have taken any action that is not authorized by the CCAA.

(iii) *Fairness and Reasonableness of the Plan*

53. In *Re Canadian Airlines Corp.*, (2000), 20 C.B.R. (4th) 1, leave to appeal refused, 20 C.B.R. (4th) 46 (C.A.), the Honourable Madam Justice Paperny, then of the Alberta Court of Queen's Bench, stated that the following are relevant considerations in determining whether a plan is fair and reasonable:

- (a) the composition of the unsecured creditors' vote;
- (b) what creditors would receive on liquidation or bankruptcy as compared to the plan;
- (c) alternatives available to the plan and bankruptcy;
- (d) consideration of oppression of rights;
- (e) unfairness to stakeholders; and
- (f) public interest.

(a) *Composition of the Vote*

54. The First Amended CCAA Plan was voted on by Eligible Voting Creditors in the General Unsecured Creditors class and the Landlord Class. The classification of Affected Creditors was approved by the Meetings Order.

55. The Monitor previously considered the factors set out in section 22(2) of the CCAA with respect to classification of creditors and remains of the view that the classification of creditors as contemplated by the Meetings Order and the First Amended CCAA Plan is appropriate. As summarized earlier in this Seventh Report, the First Amended CCAA Plan was approved by the requisite majorities of each class of Affected Creditors.

(b) *Bankruptcy as Compared to the Plan*

56. As stated in the Sixth Report, and as the Monitor has previously reported on, the Term Loan Lenders have valid security over substantially all of the Payless Canada Entities' assets, and as a result, there is a lack of available alternatives to the First Amended CCAA Plan.

57. If the First Amended CCAA Plan were not to be implemented, the Term Loan Lenders would be entitled to all of the funds currently held by the Payless Canada Entities, excluding amounts for valid claims subject to the Administration Charge and the D&O Charge. There would be no funds available for a distribution to unsecured creditors. In the event of a bankruptcy, it is possible that former employees could recover under the Wage Earner Protection Program (“WEPP”), but no other unsecured creditor would receive a distribution.

58. However, as discussed in the Sixth Report, a bankruptcy for one or more of the Payless Canada Entities would require, among other things, the approval of the Court and sufficient cash to fund the bankruptcy proceeding including the professional fees of a trustee in bankruptcy. Accordingly, it is not certain that bankruptcy is even a viable alternative in the circumstances.

59. The Monitor is of the view that the stakeholders of the Payless Canada Entities, taken as whole, will derive a greater benefit under the First Amended CCAA Plan when compared to any potential alternative, including a bankruptcy.

(c) Alternatives available to the First Amended CCAA Plan or Bankruptcy

60. Given that the Term Loan Lenders have valid security over substantially all of the Payless Canada Entities' assets, the Monitor is of the view that the only reasonable alternative to either the implementation of the First Amended CCAA Plan or a bankruptcy is a distribution of all remaining funds to the Term Loan Lenders, with no resulting recovery for any other creditor of the Payless Canada Entities.

(d) Oppression

61. In the view of the Monitor, there does not appear to be any aspect of the First Amended CCAA Plan that materially prejudices or materially disregards the interests of creditors or other stakeholders such that oppression would arise from the implementation of the First Amended CCAA Plan.

(e) Unfairness to Stakeholders

62. As described above, the First Amended CCAA Plan received the overwhelming support of Affected Creditors that voted at the Creditors' Meetings and represents the best possible recovery for the majority of Affected Creditors.

63. In addition, the Term Loan Lenders are supportive of the First Amended CCAA Plan.

64. The Monitor is not aware of any stakeholder that would be treated unfairly if the First Amended CCAA Plan were to be implemented.

(f) Public Interest

65. It is the Monitor's view that there are benefits from the implementation of the First Amended CCAA Plan that are in the public interest as it provides for certain distributions to the General Unsecured Creditors and the Landlords that would otherwise not be available to them as well as enhanced recoveries for former employees who are eligible for benefits under the WEPP, as described above. Furthermore, it is the Monitor's view that there is nothing in respect of the implementation of the First Amended CCAA Plan that could be considered to be contrary to the public interest.

I. RECEIVERSHIP ORDER AND WEPPA

66. As discussed in the Sixth Report, the First Amended CCAA Plan contemplates the appointment of FTI as receiver (in such capacity, the "**Receiver**") pursuant to a Receivership Order in respect of Payless Canada LP over a certain limited pool of funds.

67. Should the Receivership Order be granted, \$100 of cash of Payless Canada LP and all Employee Distributions² will be directed to the Receiver instead of being distributed to the former employees.

68. As Payless Canada LP was the employer of all employees of the Payless Canada Entities, the receivership will have the effect of triggering the WEPP pursuant to the Wage Earner Protection Program Act, S.C. 2005, c.47, s.1 ("**WEPPA**"), which will result in a better recovery for all former employees of Payless Canada LP who are Affected Creditors and eligible for WEPP.

69. Former employees who would not be eligible for payments under the WEPP will not be included in the receivership process and will receive their distributions as General Unsecured Creditors.³ The fees of the Receiver and its counsel in connection with administering the WEPP will be paid from the receivership property.

² "**Employee Distributions**" means any distribution under this Plan to an employee or former employee of any of the Payless Canada Entities who is, to the best of the Monitor's knowledge, not ineligible under section 6 of WEPPA to receive a payment under WEPPA, in his or her capacity as an employee or former employee, on account of such employee or former employee's General Unsecured Claim

³ Pursuant to section 6 of WEPPA, an individual is not eligible to receive a payment in respect of any wages earned during, or that otherwise relate to, a period in which the individual (a) was an officer or director of the former employer; (b) had a controlling interest within the meaning of the regulations in the business of the former

70. Should the Receivership Order not be granted, the Employee Distributions will be made directly to employees in the same manner as distributions to other General Unsecured Creditors. The granting of the Receivership Order is not a condition to implementation of the First Amended CCAA Plan.
71. The Monitor is of the view that the appointment of a Receiver is just in the circumstances. Should the Receivership Order be granted, the eligible former employees will be gain access the WEPP benefits, resulting in a greater recovery for the eligible former employees of the Payless Canada Entities. No other creditor of the Payless Canada Entities will be adversely affected by the proposed receivership.
72. The Monitor has proactively engaged in discussions with Service Canada and the WEPP, Policy and Oversight office (the "**WEPPA Office**"), in respect of the proposed administration of the WEPP. The Monitor discussed its intention to seek the appointment of the Receiver in order to have the effect of triggering WEPP.
73. In addition, the Monitor confirmed with Service Canada that:
- (a) Service Canada will recognize the CCAA Proceedings filing date of February 19, 2019 in respect of Payless Canada LP for the purpose of determining the eligibility period contemplated under subsection 2(1)(a)(ii) of WEPPA;
 - (b) notwithstanding the requirement contained in subsection 16(1)(b) of the WEPPA Regulations, the WEPPA Office and Service Canada will not require the Receiver to issue, or any former employees of Payless Canada LP to submit, a proof of claim given the Claims Procedure that was previously undertaken in the CCAA Proceedings. As an alternative to submitting a proof of claim, the Receiver will confirm in the information provided to Service Canada, with a copy being provided to the former employee in the ordinary course, that a proof of claim was received from employees on the basis of the claims process in the CCAA Proceedings. With respect to the Information Packages issued to former employees of Payless Canada

employer; (c) occupied a managerial position within the meaning of the regulations with the former employer; or (d) was not dealing at arm's length with (i) an officer or director of the former employer, (ii) a person who had a controlling interest within the meaning of the regulations in the business of the former employer, or (iii) an individual who occupied a managerial position within the meaning of the regulations with the former employer.

LP, the Receiver would advise such former employees of the ordinary course requirements for the WEPP, including:

- i. the existence of the WEPP and the conditions under which payments may be made;
 - ii. the details of the receivership;
 - iii. the amount of eligible wages owing to each former employee;
 - iv. each former employee's eligibility under the WEPP; and
 - v. directions on how to submit a WEPP application to Service Canada, including any required documents and supplementary information; and
- (c) Service Canada and the WEPPA Office will accept the batch submission of the relevant data through an electronic encrypted file format rather than through the traditional method of inputting employee data into Service Canada's website on an employee-by-employee basis.

74. A copy of the correspondence between the Monitor and Service Canada with respect to the foregoing is attached hereto as Appendix "B".

75. The Monitor is not aware of any creditor that will be prejudiced by the receivership or the amendments contained in the First Amended CCAA Plan. The Monitor also notes that the amendments contained in the First Amended CCAA Plan were made in accordance with the provisions of the Meetings Order and the CCAA Plan.

J. REQUEST FOR A LIMITED LIFTING OF THE STAY OF PROCEEDINGS AND AN EXTENSION OF THE STAY PERIOD

76. As it relates to the Payless Canada Entities, the U.S. Plan contemplates:

- (a) the cancellation of certain intercompany notes, including an obligation of Payless Finance Inc. (an entity incorporated in the United States and a U.S. Debtor) in favour of PSSC in the amount of approximately US\$114 million; and

- (b) the repayment by PSS Canada, Inc. (an entity incorporated in the United States and a U.S. Debtor) to Payless Canada LP of certain post-filing intercompany loans in the amount of approximately US\$15.6 million.
77. The Monitor understands that the Intercompany Claims⁴ are part of certain global transactions among the Debtors and their non-debtor affiliates and have implications for various U.S. Debtors and non-debtor entities. The U.S. Debtors and the Payless Canada Entities, along with the Monitor and other advisors, have carefully reviewing the proposed treatment of the various Intercompany Claims and determined the order in which the Intercompany Claims must be resolved under the U.S. Plan and the CCAA Plan.
78. The Plan Supplement contemplates that Payless Canada LP will pay the amount received from PSS Canada Inc., as repayment of the Post-Filing Intercompany Loans⁵, to Payless ShoeSource Distribution, Inc. ("**PSSD**") (which for greater certainty is a U.S. Debtor) in partial satisfaction of the principal amounts owing from Payless Canada LP to PSSD. Payless Canada LP will then repay to PSSD, in partial satisfaction of the principal amounts owing from Payless Canada LP to PSSD, the available cash remaining after provision for the Reserves (the "**Surplus Cash**"), which repayment is ultimately for the benefit of the Term Loan Lenders. Following the aforementioned series of transactions, PSSC will cancel the existing note (including accumulated interest thereon) payable to Collective Brands II Cooperatief UA. The Monitor is supportive of the aforementioned mechanics and the proposed resolution of the Intercompany Claims. The Monitor understands that the distribution of the Surplus Cash to the Term Loan Lenders via the repayment of an intercompany loan owing from Payless Canada LP to PSSD to be a tax efficient method of distributing the Surplus Cash.
79. In order to allow these steps to occur prior to the effectiveness of the First Amended CCAA Plan, the Payless Canada Entities are seeking a limited lifting of the stay of proceedings

⁴ "**Intercompany Claim**" means any Claim held by a Payless Canada Entity against another Payless Canada Entity or an affiliate of a Payless Canada Entity (including, for the avoidance of doubt, a U.S. Debtor) or any Claim held by an affiliate of a Payless Canada Entity (including, for the avoidance of doubt, a U.S. Debtor) against a Payless Canada Entity, provided however, that the Post-Filing Intercompany Loans shall not be an Intercompany Claim.

⁵ "**Post-Filing Intercompany Loans**" means the post-petition loans from Payless ShoeSource Canada LP to Payless Finance, Inc., which loans are reflected on the books and records of the U.S. Debtors and the Payless Canada Entities and bear interest at a rate of 6%.

for the limited purpose of dealing with the Intercompany Claims as contemplated under the U.S. Plan. The Monitor supports the Payless Canada Entities' request.

80. The Stay Period currently expires on December 20, 2019. If the Sanction Order is granted, additional time may be required for the Payless Canada Entities and the Monitor to resolve outstanding Claims, to implement the First Amended CCAA Plan, and to make the distributions contemplated by the First Amended CCAA Plan. Additional time may be particularly necessary given that the distributions to the Affected Creditors are conditional on obtaining a Comfort Letter from the Canada Revenue Agency.
81. The continuation of the stay of proceedings is necessary to provide the stability needed to complete the foregoing activities. Accordingly, the Payless Canada Entities now seek an extension of the Stay Period to February 28, 2020 (the "**Fourth Stay Extension**").
82. As previously indicated in this Seventh Report, considering the current cash balance and the establishment of the Reserves should the First Amended CCAA Plan be implemented, the Payless Canada Entities are forecast to have sufficient liquidity to fund the CCAA Proceedings during the requested extension of the Stay Period as well as sufficient funding to conclude the CCAA Proceedings.
83. Based on the information currently available, the Monitor believes that the creditors of the Payless Canada Entities would not be materially prejudiced by the proposed extension of the Stay Period. The Monitor also believes that the Payless Canada Entities have acted, and continue to act, in good faith with due diligence and that the circumstances exist that make an extension of the Stay Period appropriate.
84. The Monitor therefore respectfully recommends that this Honourable Court grant the Payless Canada Entities' request for a limited lifting of the stay of proceedings for the purpose of permitting the forgiveness or cancellation in whole or in part of the Intercompany Claims set out in the U.S. Plan, and an extension of the Stay Period to February 28, 2020.

K. CONCLUSION AND RECOMMENDATION

85. As discussed earlier in this Seventh Report, for a plan of arrangement or compromise to be sanctioned pursuant to the CCAA, the following three tests must be met:
- (a) there has been strict compliance with all statutory requirements and adherence to previous orders of the Court;
 - (b) nothing has been done or purported to have been done that is not authorized by the CCAA; and
 - (c) the plan is fair and reasonable.
86. The Monitor's view is that:
- (a) the First Amended CCAA Plan has been approved by the Requisite Majorities of each class of Affected Creditors;
 - (b) there has been compliance with all requirements of the CCAA and the Payless Canada Entities have adhered to the previous Orders of the Court made in the CCAA Proceedings;
 - (c) nothing has been done or purported to be done by the Payless Canada Entities that is not authorized by the CCAA; and
 - (d) the First Amended CCAA Plan is fair and reasonable.
87. The Monitor believes that the Payless Canada Entities have acted, and are continuing to act, in good faith and with diligence and that the circumstances exist that make the Fourth Stay Extension appropriate.
88. The Monitor further understands that in order to effect certain steps as it relates to the Intercompany Claims prior to the effectiveness of the First Amended CCAA Plan, a limited lifting of the stay of proceedings in respect of the Payless Canada Entities must be granted for the limited purpose of dealing with the Intercompany Claims as contemplated under the U.S. Plan.

89. Accordingly, the Monitor respectfully recommends that this Honourable Court grant the Sanction Order, including an extension of the Stay Period to February 28, 2020 and a limited lifting of the stay of proceedings.

The Monitor respectfully submits to the Court this, its Seventh Report.

Dated this 23rd day of October 2019.

FTI Consulting Canada Inc.,

solely in its capacity as Monitor of Payless ShoeSource Canada Inc.,
Payless ShoeSource Canada GP Inc. and Payless ShoeSource Canada LP,
and not in its personal capacity



Greg Watson
Senior Managing Director



Paul Bishop
Senior Managing Director

APPENDIX "B"

[ATTACHED]

SUPERIOR COURT OF JUSTICE
COUR SUPÉRIEURE DE JUSTICE
RECEIVED / REÇU

JAN 16 2020

LOCAL REGISTRAR / GREFFIER LOCAL

**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 A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS
SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA GP INC.**

(the "Applicants")

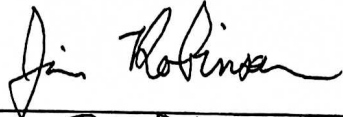
**MONITOR'S CERTIFICATE
(Plan Implementation)**

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Order of the Honourable Mr. Justice McEwen made in these proceedings on October 29, 2019 (the "Sanction Order").

Pursuant to paragraph 8 of the Sanction Order, FTI Consulting Canada Inc., solely in its capacity as Court-appointed monitor (the "Monitor") of the Applicants and Payless ShoeSource Canada LP (collectively, the "Payless Canada Entities"), delivers to the Payless Canada Entities, the Term Loan Agent and the Supporting Term Loan Lenders this certificate and hereby certifies that it has been informed in writing by the Payless Canada Entities that all of the conditions precedent set out in Section 9.3 of the Plan have been satisfied or waived, and that the Effective Time of the Plan is 12:31 [a.m./p.m.] on January 16th, 2020, being the Implementation Date. The Implementation Date has occurred and the Plan, the Plan Supplement and the provisions of the Sanction Order which come into effect on the Implementation Date are effective in accordance with their respective terms. This certificate will be filed with the Court and posted on the website maintained by the Monitor.

DATED at the City of Toronto, in the Province of Ontario, this 16th day of January, 2020 at 12:36 [a.m. (p.m.)]

FTI CONSULTING CANADA INC., solely in its capacity as Court-appointed Monitor of the Payless Canada Entities and not in its personal or corporate capacity

By: 
Name: Jim Robinson
Title: Managing Director

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA GP INC.**

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

**PROCEEDING COMMENCED AT
TORONTO**

**MONITOR'S CERTIFICATE
(PLAN IMPLEMENTATION)**

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*Lawyers for FTI Consulting Canada Inc., solely in its capacity as
Court-appointed Monitor*

APPENDIX "C"

[ATTACHED]

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



THE HONOURABLE MR
JUSTICE McEWEN

)
)
)

TUESDAY, THE 29TH
DAY OF OCTOBER, 2019

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS
SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA GP INC.**

(the "Applicants")

RECEIVERSHIP ORDER

THIS MOTION made by FTI Consulting Canada Inc. ("**FTI**"), in its capacity as court-appointed monitor (the "**Monitor**") of the Applicants and Payless ShoeSource Canada LP (the "**Payless Canada Entities**") for an Order (the "**Receivership Order**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing FTI as receiver (in such capacity, the "**Receiver**") without security, of all Employee Distributions (as defined in the First Amended and Restated Plan of Compromise and Arrangement of the Payless Canada Entities dated October 16, 2019, as may be further amended from time to time (the "**CCAA Plan**")), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Monitor, the Affidavit of Stephen Marotta sworn October 23, 2019 including the exhibits thereto, the Seventh Report of the Monitor dated October 23, 2019, and on hearing the submissions of counsel for the Payless Canada Entities, the Monitor, FTI (as the proposed Receiver), the Term Loan Agent and the Supporting Term Loan Lenders, and no one else

appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn October 24, 2019, and on reading the consent of FTI to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the CCAA Plan.

LIFTING OF THE STAY

3. **THIS COURT ORDERS** that the stay of proceedings granted by this Court under the Initial Order dated February 19, 2019, (the "**Initial Order**") is hereby lifted with respect to the Payless Canada Entities and the Receivership Property (as defined below) solely to allow: (i) the appointment of the Receiver over the Receivership Property on the Receivership Effective Date (as defined below); and (ii) the Receiver to act in respect of the Receivership Property, each in accordance with the provisions of this Receivership Order.

APPOINTMENT

4. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and effective upon service on the Service List of the certificate attached as **Schedule "A"** hereto (the "**Receivership Effective Date**") confirming that the Affected Creditor Distribution Date has occurred, FTI will hereby be appointed Receiver, without security, of all Employee Distributions and Cash in the amount of \$100.00 to be transferred by Payless ShoeSource Canada LP to the Receiver (the "**Receivership Property**"), and no other property of the Payless Canada Entities.

5. **THIS COURT DECLARES** that the Receiver is a receiver within the meaning of section 243(1) of the BIA.

RECEIVER'S POWERS

6. **THIS COURT ORDERS** that, from and after the Receivership Effective Date, the Receiver will be empowered and authorized, but not obligated, to act at once in respect of the Receivership Property

and the Receiver will be expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) subject to paragraphs 11, 13 and 14 of this Receivership Order, to exercise control over the Receivership Property;
- (b) to perform its statutory obligations under the *Wage Earner Protection Program Act* (Canada) (the “WEPPA”);
- (c) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and
- (d) to engage counsel to assist with the exercise of the Receiver’s powers conferred by this Receivership Order,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusions of all other Persons (as defined below), including the Payless Canada Entities and without interference from any other Person.

7. **THIS COURT ORDERS** that the Receiver be and is hereby relieved from compliance with the provision of sections 245(1), 245(2) and 246 of the BIA, provided that the Receiver shall provide notice of its appointment in the prescribed form and manner to the Superintendent of Bankruptcy, accompanied by the prescribed fee.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

8. **THIS COURT ORDERS** that (i) the Payless Canada Entities, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and members, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Receivership Order (all of the foregoing, collectively, being “Persons” and each being a “Person”) shall forthwith grant access to the Receivership Property to the Receiver upon the Receivership Effective Date.

9. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Receivership Property and the current (if any) and former employees of the Payless Canada Entities for the purposes of complying with the Receiver’s

statutory obligations under the WEPPA, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 9 or in paragraph 10 of this Receivership Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to applicable laws prohibiting such disclosure.

10. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER OR THE RECEIVERSHIP PROPERTY

11. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver or the Receivership Property except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Receiver or the Receivership Property are hereby stayed and suspended pending further Order of this Court.

EMPLOYEES

12. **THIS COURT ORDERS** that employees of the Payless Canada Entities, if any, shall remain the employees of the Payless Canada Entities until such time as the Payless Canada Entities may terminate the employment of such employees and the Receiver shall not be liable for any employee-related liabilities or obligations, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

13. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Receivership Property or any of the Payless Canada Entities’ other assets, property or undertaking, including (without limitation) property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial, or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”).

POSSESSION OF RECEIVERSHIP PROPERTY

14. **THIS COURT ORDERS** that the Receiver shall take no part whatsoever in the management or supervision of the management of the Business (as defined in the Initial Order) and the Receiver shall not, as a result of this Receivership Order or anything done in pursuance of the Receiver’s duties and powers under this Receivership Order, be deemed to be in possession of or be deemed to have taken any steps to dispose of any of the Receivership Property, or of any other assets, property or undertaking of the Payless Canada Entities, including (without limitation) within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

15. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its delivery of the Receivership Certificate, its appointment or the carrying out the provisions of this Receivership Order, including any liability or obligation in respect of taxes, withholdings, interest, penalties, or other like claims, save and except for any gross negligence or wilful misconduct on its part,

and it shall have no obligations under sections 81.4(5) or 81.6(3) of the BIA. Nothing in this Receivership Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

COSTS OF ADMINISTRATION

16. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, in an amount up to but not exceeding the amount of the Receivership Property, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Receivership Property, as security for such fees and disbursements, both before and after the making of this Receivership Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Receivership Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

17. **THIS COURT ORDERS** that, if requested by the Court or any interested person, the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

18. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the Receivership Property, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

TERMINATION OF THE RECEIVERSHIP

19. **THIS COURT ORDERS** that unless otherwise ordered by the Court following the completion of the Receivers' duties under this Receivership Order, any Receivership Property remaining after payment of all fees and expenses of the Receiver and its counsel shall be remitted to Service Canada as subrogee of Claims paid in respect of eligible wages (as defined in WEPPA), as contemplated by WEPPA.

SERVICE AND NOTICE

20. **THIS COURT ORDERS** that, subject to further Order of the Court, service and notice with respect to this Receivership Order and the appointment of the Receiver shall be in accordance with paragraphs 54, 55, 56, and 57 of the Initial Order.

INITIAL ORDER, CCAA PLAN AND SANCTION ORDER

21. **THIS COURT ORDERS** that, except as expressly stated herein with respect to the Receivership Property, nothing herein amends the terms of the Initial Order, including the powers, authorizations, obligations and protections for the Monitor, the Payless Canada Entities and the Payless Canada Entities' directors and officers contained in the Initial Order.

22. **THIS COURT ORDERS** that, nothing herein amends the terms of the CCAA Plan or the Sanction Order, including the compromises, discharges, releases and injunctions provided for therein.

WEPPA

23. **THIS COURT ORDERS** that (i) notwithstanding subsection 21(1)(d) of WEPPA and subsection 16(1)(b) of the WEPPA Regulations, each individual (as such term is used in WEPPA) will not be required to, and shall not, deliver a proof of claim for wages owing, and the Receiver will instead accept the individual's CCAA claim for purposes of administration of WEPPA in this proceeding, and (ii) notwithstanding subsection 15(1)(d) of the WEPPA Regulations, the Receiver shall advise the Minister (as defined in WEPPA), and the Minister shall accept, that the requirement of an individual to deliver a proof of claim for wages owing was met given the acceptance of claims referred to immediately above.

24. **THIS COURT ORDERS** that, for the purposes of WEPPA and these receivership proceedings, (i) Payless ShoeSource Canada LP is subject to the CCAA Proceedings, (ii) the wage eligibility period for the purpose of establishing eligible wages under WEPPA in accordance with subsection 2(1)(a)(ii) of WEPPA has occurred, and (iii) the wage eligibility period began six months prior to the date of commencement of the CCAA Proceedings.

GENERAL

25. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. **THIS COURT ORDERS** that nothing in this Receivership Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Payless Canada Entities (or any of them).

27. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Receivership Order and to assist the Receiver and its agents in carrying out the terms of this Receivership 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 Receivership Order or to assist the Receiver and its agents in carrying out the terms of this Receivership Order.


28. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Receivership Order and for assistance in carrying out the terms of this Receivership Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

29. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Receivership Order on not less than seven (7) days' notice to the Receiver and the Payless Canada Entities and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 29 2019

PER / PAR: 

SCHEDULE "A"

RECEIVER CERTIFICATE

**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 A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS
SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA GP INC.

RECEIVERSHIP CERTIFICATE

The undersigned confirm that this is the "Receivership Certificate" referred to in the Receivership Order of the Ontario Superior Court of Justice (Commercial List) made on October 29, 2019, and that in accordance with paragraph 4 of the Receivership Order, the Affected Creditor Distribution Date as defined in the First Amended and Restated Plan of Compromise and Arrangement of the Payless Canada Entities dated October 16, 2019, as may be further amended from time to time, has occurred and that the Receivership Effective Date shall be effective upon service of this certificate on the Service List.

PAYLESS SHOESOURCE CANADA
INC., PAYLESS SHOESOURCE
CANADA GP INC. AND PAYLESS
SHOESOURCE CANADA LP

FTI CONSULTING CANADA INC., SOLELY IN
ITS CAPACITY AS PROPOSED RECEIVER, AND
NOT IN ITS PERSONAL OR CORPORATE
CAPACITY

Per: _____
Name:
Title

Per: _____
Name:
Title

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA GP INC.

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

PROCEEDING COMMENCED AT
TORONTO

RECEIVERSHIP ORDER

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*Lawyers for FTI Consulting Canada Inc., solely in its capacity as
Court-appointed Monitor*

APPENDIX "D"

[ATTACHED]

**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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
PAYLESS SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA
GP INC.**

(the "Applicants")

**AFFIDAVIT OF PAUL BISHOP
(sworn February 13, 2020)**

I, **PAUL BISHOP**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Senior Managing Director with FTI Consulting Canada Inc., which was appointed as the monitor (the "**Monitor**") in these proceedings and as such have knowledge of the matters hereinafter deposed. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. I make this affidavit in support of a motion by the Applicants for, among other things, approval of the fees and expenses of the Monitor and its counsel.

3. Attached hereto as Exhibit "A" are true copies of the invoices prepared by the Monitor for the fees and expenses incurred by the Monitor in connection with these proceedings for the period between September 1, 2019 and January 31, 2020. The invoices have been redacted to address matters of confidentiality or privilege. I confirm that these invoices accurately reflect the services provided by the Monitor in this matter for this period and the fees and expenses claimed by it for the period.

4. Attached hereto as Exhibit "B" is a schedule listing the fees, expenses, HST and total fees charged for each invoice in Exhibit "A".

5. Attached hereto as Exhibit "C" is a schedule summarizing the billing rates and total amounts billed with respect to each representative of the Monitor that rendered services in connection with these proceedings and the blended rate for the period between September 1, 2019 and January 31, 2020.

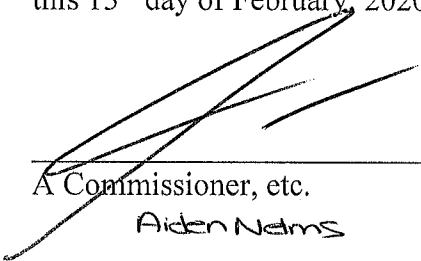
6. To the best of my knowledge, the rates charged by the Monitor throughout the course of these proceedings are comparable to the rates charged by other firms in the Toronto market for the provision of similar services.

7. The hours spent on this matter involved monitoring the Applicants and addressing issues related to these proceedings (as more particularly described in the Monitor's reports and the

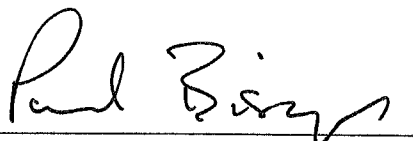
invoices attached in Exhibit "A") and I believe that the total hours incurred by the Monitor are reasonable and appropriate in the circumstances.

8. The Monitor requests that the Court approve its invoices for the period between September 1, 2019 and January 31, 2020, for fees in the amounts of \$358,590.00, expenses of \$50,673.82 and HST of \$53,204.31.

SWORN before me at the City of Toronto,)
in the Province of Ontario,)
this 13th day of February, 2020)
)
)



A Commissioner, etc.
Aiden Nelms



Paul Bishop

THIS IS EXHIBIT "A" REFERRED TO IN THE

AFFIDAVIT OF PAUL BISHOP

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.

Aiden Nelms



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

September 17, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003836

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through September 15, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads "Paul Bishop". The signature is written in a cursive, flowing style.

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

September 17, 2019
FTI Invoice No. 29003836
FTI Job No. 466952.002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through September 15, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$89,605.00
Expenses.....	\$0.00
Total Fees and Expenses.....	\$89,605.00
HST Registration No. 835718024RT0001	\$11,648.65
Total Amount Due this Period.....	\$101,253.65
Total Amount Due.....	<u>\$101,253.65</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCA11
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

September 17, 2019
FTI Invoice No. 29003836
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through September 15, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	2.5	\$2,475.00
Paul Bishop	Senior Managing Director	\$990.00	18.5	\$18,315.00
Toni Vanderlaan	Senior Managing Director	\$930.00	15.8	\$14,694.00
James Robinson	Managing Director	\$810.00	48.0	\$38,880.00
Michael Basso	Senior Director	\$725.00	14.1	\$10,222.50
Ellen Dong	Director	\$685.00	7.0	\$4,795.00
Dilawar Azhar	Senior Consultant	\$475.00	0.3	\$142.50
Kathleen Foster	Administrative Professional	\$135.00	0.6	\$81.00
Total Hours and Fees			106.8	\$89,605.00

HST Registration No. 835718024RT0001 **\$11,648.65**

Invoice Total for Current Period **\$101,253.65**

Payless Holdings - CCAA
466952.0002 - September 15, 2019

Date	TK#	Name	Hours	Amount	Narrative
09/13/19	27555	Dilawar Azhar	0.10	\$ 47.50	Website posting
09/11/19	27555	Dilawar Azhar	0.20	\$ 95.00	Website posting
09/03/19	17571	Ellen Dong	1.30	\$ 890.50	Monitor hotline responses. Correspondence re: [REDACTED]
09/12/19	17571	Ellen Dong	3.20	\$ 2,192.00	Review of comments - 5th monitor report. Discussion with [REDACTED] claims. Preparation of [REDACTED]
09/13/19	17571	Ellen Dong	2.50	\$ 1,712.50	Payless landlord summary update. Monitor hotline responses.
09/09/19	14798	Gregory Watson	1.00	\$ 990.00	Calls re cash flow and claims.
09/11/19	14798	Gregory Watson	0.50	\$ 495.00	Calls re cash flow and claims.
09/12/19	14798	Gregory Watson	0.50	\$ 495.00	Calls re cash flow and claims.
09/13/19	14798	Gregory Watson	0.50	\$ 495.00	Calls re cash flow and claims.
09/07/19	23261	James Robinson	2.70	\$ 2,187.00	Review [REDACTED] and compare to [REDACTED]; finalize [REDACTED] for term lender advisors; draft email to term lender advisors regarding same; correspond with Ankura regarding same
09/08/19	23261	James Robinson	1.70	\$ 1,377.00	Review and comment on draft sanction order; review and comment on draft stay extension order; correspond with Ankura on multiple matters including [REDACTED], Canada
09/09/19	23261	James Robinson	3.80	\$ 3,078.00	Call with S. Zweig regarding update on [REDACTED]; respond to Ankura inquiries on Canada [REDACTED]; review summary schedule prepared by M. Basso and draft additional notes; update summary schedule for comments received from BJ and email to Company/Ankura/CBB; attend update call with CBB/BJ/FTI; call with D. Chochla at Faskens regarding questions and comments on [REDACTED]
09/03/19	23261	James Robinson	5.80	\$ 4,698.00	Attend call with BJ regarding [REDACTED] and analysis; attend update call with CBB/BJ/FTI including discussion of reserve summary; update of reserve analysis for new information and comments received;
09/06/19	23261	James Robinson	6.80	\$ 5,508.00	Report information planning and coordination; review draft meetings affidavit and Canadian memorandum; review claims register and information required for [REDACTED]; perform additional plan analysis;
09/04/19	23261	James Robinson	4.80	\$ 3,888.00	Development and refinement of [REDACTED], including development and revision of [REDACTED]; review BJ comments on draft CCAA plan; multiple calls with BJ regarding Plan structure; further review of updated CCAA plan based on BJ edits; review of Initial draft of CCAA format cash flow forecast; on-going discussions with M. Basso regarding pending matters;
09/05/19	23261	James Robinson	5.30	\$ 4,293.00	Attend status call with BJ/CBB/FTI regarding upcoming court hearing and materials; review of forecast and supporting information provided by Ankura; review updated CCAA plan provided by CBB; calls and correspondence with BJ regarding plan and various other file matters; call with Ankura regarding [REDACTED]; walk through illustrative plan analysis model with P Bishop and T. Vanderlaan, and update for comments received; review cash flow model and assumptions;
09/11/19	23261	James Robinson	5.60	\$ 4,536.00	Review draft report and provide comments; consolidate [REDACTED] for report and draft tables for inclusion; correspond with BJ regarding report; fee affidavit support and preparation; call with Ankura and company regarding WEPP information and coordination; further review of report.
09/12/19	23261	James Robinson	5.30	\$ 4,293.00	Review CBB report comments and edit report regarding same; call with Ankura regarding [REDACTED] and US developments; call with BJ and FTI to discuss changes to be made to the report; review tables and claims details to be adjusted for the report; review affidavit and check of numbers for internal consistency.
09/10/19	23261	James Robinson	6.20	\$ 5,022.00	Review of draft report sections and provide comments regarding same; review of updated draft filing materials for company; review documentation filed in US proceeding; multiple email and telephone correspondence with BJ/CBB/Ankura regarding pending matters.; review of draft tables and appendices for fifth report.
09/11/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
09/13/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
09/04/19	23240	Michael Basso	0.80	\$ 580.00	Correspondence re: [REDACTED]
09/08/19	23240	Michael Basso	1.00	\$ 725.00	Correspondence re: [REDACTED]
09/05/19	23240	Michael Basso	4.00	\$ 2,900.00	Correspondence from RQ re: [REDACTED]. Call to RQ on same. Correspondence re: cash flow and variance analysis. Meetings re: CA cash flow reporting with J. Robinson. Update Cash Flow files re: same.
09/06/19	23240	Michael Basso	1.80	\$ 1,305.00	Correspondence re: items for report. Correspondence with I. Lee re: cash flow. Meeting re: cash flow and claims. Review hotline for new claims, correspondence with group on same. Review draft court materials, Prepare info in claims and cash flow
09/12/19	23240	Michael Basso	0.80	\$ 580.00	Meeting re: 5th report etc. Correspondence re: update meeting. Meeting with T. Vanderlaan re: status update.

Payless Holdings - CCAA
466952.0002 - September 15, 2019

Date	TK#	Name	Hours	Amount	Narrative
09/10/19	23240	Michael Basso	2.20	\$ 1,595.00	Correspondence re: cash flow sections for report. Draft Cash Flow sections for report. Meeting with J. Robinson re: cash flow forecast/variances, review prior data on same. Review notes to report, prepare response to T. Vanderlaan on same.
09/13/19	23240	Michael Basso	0.30	\$ 217.50	Correspondence re: [REDACTED]. Correspondence re: [REDACTED] inquiry.
09/09/19	23240	Michael Basso	1.70	\$ 1,232.50	Correspondence re: Claims figures. Meeting with M. Sassi on same. Correspondence re: # of landlords. Correspondence re: Landlord List, update lease claim summary re: pivot table. Meeting re: Payless summary, prepare and send same to team. Correspondence re: payment request. Correspondence re: Claims summary.
09/11/19	23240	Michael Basso	1.50	\$ 1,087.50	Call to RQ re: notice, correspondence with Ankura and company on same. Review draft 5th Report for errors. Review draft 5th Report for errors. Meeting with J Robinson on same
09/04/19	14800	Paul Bishop	2.10	\$ 2,079.00	Review of order edit same, correspondence re order
09/06/19	14800	Paul Bishop	1.70	\$ 1,683.00	Calls with counsel, CBB and Faskens, review of docs
09/05/19	14800	Paul Bishop	2.10	\$ 2,079.00	Review of draft language, correspondence re same, call with CBB and BJ's
09/03/19	14800	Paul Bishop	1.40	\$ 1,386.00	Call with Counsel, call with counsel and CBB
09/12/19	14800	Paul Bishop	2.10	\$ 2,079.00	Calls with counsel re plan, review of documents re same
09/09/19	14800	Paul Bishop	1.20	\$ 1,188.00	Call with counsel and CBB, review of docs
09/10/19	14800	Paul Bishop	1.30	\$ 1,287.00	Review of revised documents
09/11/19	14800	Paul Bishop	1.70	\$ 1,683.00	Review of draft court report and motion materials
09/13/19	14800	Paul Bishop	2.40	\$ 2,376.00	Calls and correspondence re plan, review of docs re same, review of report
09/14/19	14800	Paul Bishop	1.40	\$ 1,386.00	Review of docs, call with counsel
09/15/19	14800	Paul Bishop	1.10	\$ 1,089.00	Calls with counsel, review of docs, correspondence
09/09/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Update call with Cassels
09/03/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Update call with Cassels
09/02/19	15236	Toni Vanderlaan	0.30	\$ 279.00	Update call with Cassels
09/06/19	15236	Toni Vanderlaan	1.70	\$ 1,581.00	Reserves call Update call with Cassels; Review of Information
09/05/19	15236	Toni Vanderlaan	1.20	\$ 1,116.00	Update call Review of documents
09/03/19	15236	Toni Vanderlaan	0.80	\$ 744.00	Update call with Cassels
09/11/19	15236	Toni Vanderlaan	0.50	\$ 465.00	WEPP call to request additional information
09/15/19	15236	Toni Vanderlaan	1.40	\$ 1,302.00	Calls with Cassels and review and comments on materials
09/14/19	15236	Toni Vanderlaan	0.70	\$ 651.00	[REDACTED] and emails with Cassels
09/13/19	15236	Toni Vanderlaan	2.10	\$ 1,953.00	Calls in respect of reserve summary Calls on plan and other filing materials Revised plan discussions
09/12/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Payless update call with Cassels Set up discussion with Ankura re reserves
09/12/19	15236	Toni Vanderlaan	0.90	\$ 837.00	Monitor's 5th Report responses to Cassels edits and updates
09/12/19	15236	Toni Vanderlaan	1.70	\$ 1,581.00	WEPP call; Monitor's Report Update handover notes
09/11/19	15236	Toni Vanderlaan	1.10	\$ 1,023.00	Review and comments on Monitor report WEPP
09/14/19	15236	Toni Vanderlaan	0.60	\$ 558.00	Call with Bennett Jones to discuss distributions Running various distribution scenarios
09/10/19	15236	Toni Vanderlaan	1.10	\$ 1,023.00	Review of draft materials Stay extension meetings order affidavit
GRAND TOTAL			106.80	\$ 89,605.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

September 30, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003855

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through September 30, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads "Paul Bishop".

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

September 30, 2019
FTI Invoice No. 29003855
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through September 30, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$49,724.50
Expenses.....	\$7,287.77
Total Fees and Expenses.....	\$57,012.27
HST Registration No. 835718024RT0001	\$7,411.60
Total Amount Due this Period.....	\$64,423.87
Total Amount Due.....	<u>\$64,423.87</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCAT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

September 30, 2019
FTI Invoice No. 29003855
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through September 30, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	4.5	\$4,455.00
Paul Bishop	Senior Managing Director	\$990.00	6.3	\$6,237.00
Toni Vanderlaan	Senior Managing Director	\$930.00	9.8	\$9,114.00
James Robinson	Managing Director	\$810.00	6.9	\$5,589.00
Michael Basso	Senior Director	\$725.00	25.1	\$18,197.50
Ellen Dong	Director	\$685.00	8.3	\$5,685.50
Dilawar Azhar	Senior Consultant	\$475.00	0.4	\$190.00
Kathleen Foster	Administrative Professional	\$135.00	1.9	\$256.50
Total Hours and Fees			63.2	\$49,724.50
Other/Miscellaneous				\$7,287.77
Total Expenses				\$7,287.77
HST Registration No. 835718024RT0001				\$7,411.60
Invoice Total for Current Period				\$64,423.87

Payless Holdings - CCAA
466952.0002 - September 30, 2019

Date	TK#	Name	Hours	Amount	Narrative
09/18/19	27555	Dilawar Azhar	0.20	\$ 95.00	Website postings
09/30/19	27555	Dilawar Azhar	0.20	\$ 95.00	Hotline responses
09/20/19	17571	Ellen Dong	4.50	\$ 3,082.50	Response to monitor hotline inquiries. Review of [REDACTED]. Update to claim register and landlord lease summary for late filed claims. Correspondence re: same.
09/19/19	17571	Ellen Dong	1.30	\$ 890.50	Response to monitor hotline inquiries.
09/23/19	17571	Ellen Dong	1.30	\$ 890.50	WEPPA review of mail merge information and cross check for [REDACTED]. Monitor hotline inquiries.
09/27/19	17571	Ellen Dong	1.20	\$ 822.00	Monitor hotline inquiries
09/20/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
09/17/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
09/18/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
09/16/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
09/19/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
09/25/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
09/30/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
09/20/19	23261	James Robinson	2.20	\$ 1,782.00	Review of and search for information available for [REDACTED] including data site and information previously provided by D. Diedel at Payless. Attend status call with BJ and FTI regarding pending issues and [REDACTED] to be completed
09/16/19	23261	James Robinson	4.10	\$ 3,321.00	Review supplemental fifth report and provide comments; review corresponding US plan materials and Canada materials in relation to fifth
09/20/19	23261	James Robinson	0.60	\$ 486.00	Review of website and coordination of documentation to be posted.
09/18/19	24354	Kathleen Foster	1.00	\$ 135.00	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar and Toni Vanderlaan.
09/16/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
09/19/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Michael Basso.
09/20/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar and Michael Basso.
09/20/19	23240	Michael Basso	4.80	\$ 3,480.00	Website update. Correspondence from Cassels re: notice for mailing. Correspondence re: [REDACTED]. Review first day materials on same. Prepare newspaper notices, correspondence with papers on same. Prepare for and meeting with counsel, T. Vanderlaan and J. Robinson re: [REDACTED]. Review IC notes. Correspondence re: Newspaper and mailing notice. Correspondence re: mailing. Correspondence re: website update. Meeting with TPH re: Mailing, correspondence on same. Correspondence with La Presse
09/17/19	23240	Michael Basso	1.20	\$ 870.00	Correspondence with P. Bishop re: supplemental report. Correspondence re: sales taxes, meeting with T. Vanderlaan on same. Correspondence re: [REDACTED] with I. Lee on same. Review documents provided by J. Robinson before leave. Meeting with I. Lee re: ITC returns. Meeting with T. Vanderlaan re: [REDACTED]
09/19/19	23240	Michael Basso	3.10	\$ 2,247.50	Review updated Meetings Order, gather documents for information package. 0.5 Website update. 0.8 Meeting with T. Vanderlaan re: mailing. 0.2 Meeting re: status. Review website. Vmail from Bennet Jones. Prepare mailing list from claims register. 0.8 Meeting with BJ re: notice. 0.3 Meeting and correspondence re: [REDACTED]. 0.3 Prepare notice for newspaper, correspondence on same. 0.2
09/18/19	23240	Michael Basso	2.50	\$ 1,812.50	Review Monitor's supplemental report. 0.4 Review Meeting's Order Motion. Meetings and correspondence on same. 1.8 Correspondence re: meetings order. 0.1 Review updated meetings order motion. 0.2
09/16/19	23240	Michael Basso	0.50	\$ 362.50	Correspondence re: [REDACTED]. Meeting with T. Vanderlaan and correspondence related to Fasken's invoice. Review and correspondence re: [REDACTED]
09/27/19	23240	Michael Basso	0.20	\$ 145.00	Review correspondence re: TUV analysis. Correspondence with I. Lee re: requests.
09/24/19	23240	Michael Basso	2.70	\$ 1,957.50	Correspondence re: payment request. Correspondence re: [REDACTED]. Review FS provided in same. Correspondence re: La Press publication. Correspondence re: French Notice. File correspondence. Review 2013/2014 TB for reviewable transactions. Correspondence re: 2018 TBS, send same to I. Lee. Correspondence re: 2018 TB changes, review TB on same. Meeting with M. Shakra re: French notice. Correspondence re: 2018 TB changes and transaction support for 2014/2015 items.

Payless Holdings - CCAA
466952.0002 - September 30, 2019

Date	TK#	Name	Hours	Amount	Narrative
09/23/19	23240	Michael Basso	4.10	\$ 2,972.50	Review org chart re: [REDACTED]. Correspondence with TPH re: printing. Review return envelopes and correspondence on same. Review TBS from 2016-2018. Prepare email re: [REDACTED] Meeting with TPH re: printing. Correspondence re: La Presse publications. Correspondence re: [REDACTED]. Review emails for WEPPA budget, correspondence on same. Correspondence re: notice translation and review of same. Correspondence re: WEPPA estimate. Correspondence re: La Presse notice. Meeting with S. Bissell re: WEPPA cost. Correspondence re: [REDACTED]
09/26/19	23240	Michael Basso	0.90	\$ 652.50	Correspondence re: payment request. Correspondence from I. Lee re: TUV requests. Correspondence from Globe and Mail re: proof of publication. Correspondence re: La Presse. Correspondence re: status and TUV review. Correspondence re: [REDACTED]
09/25/19	23240	Michael Basso	3.00	\$ 2,175.00	Correspondence re: French notice mailing. Review draft letter and prepare mail merge on same. Send letters to TPG for printing/ mailing. Review Plan. Review meetings order. Correspondence re: newspaper notice. Correspondence from CBB re: TUV period, review [REDACTED]
09/30/19	23240	Michael Basso	2.10	\$ 1,522.50	[REDACTED]. Correspondence with Bennett Jones on same. Status update meeting with T. Vanderlaan. Correspondence with Globe and Mail re: proofs. Correspondence with I. Lee re: TUV requests. Meetings (each separately) with E. Dong, L. Pearson and D. Azhar and T. Vanderlaan re: proxies/plan and potential hotline inquiries. Correspondence on same. Correspondence re: actuals. Meeting with Dilawar re: Proxy.
09/20/19	14800	Paul Bishop	1.30	\$ 1,287.00	Review of court materials and order
09/17/19	14800	Paul Bishop	1.30	\$ 1,287.00	Review of court materials and supplemental report
09/16/19	14800	Paul Bishop	1.40	\$ 1,386.00	Review of court materials and draft report
09/18/19	14800	Paul Bishop	0.90	\$ 891.00	Review of court materials and report
09/27/19	14800	Paul Bishop	1.40	\$ 1,386.00	Review of correspondence and court materials
09/16/19	15236	Toni Vanderlaan	1.40	\$ 1,302.00	Calls with Cassels and review and comments on materials Discussions of distributions
09/16/19	15236	Toni Vanderlaan	-1.40	\$ (1,302.00)	Reverse time wrong date
09/17/19	15236	Toni Vanderlaan	2.30	\$ 2,139.00	Review of updated documents Attendance at Court Updates to Monitor's supplemental report
09/18/19	15236	Toni Vanderlaan	0.40	\$ 372.00	Final review and edits to supplemental report
09/20/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Call in respect of reviewable transactions
09/19/19	15236	Toni Vanderlaan	2.80	\$ 2,604.00	Attendance at court in respect of meetings order Discussions in respect of filing and notice requirements for meetings order and WEPPa
09/30/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Update meeting and WEPPA.
09/20/19	15236	Toni Vanderlaan	0.30	\$ 279.00	Emails in respect of [REDACTED]
09/26/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Emails in respect of WEPPA and update call with Cassels
09/29/19	15236	Toni Vanderlaan	0.60	\$ 558.00	Review of motion Emails in respect of reviewable transactions for Chapter 11
09/25/19	15236	Toni Vanderlaan	0.40	\$ 372.00	Revisions to reserve summary Emails in respect of reviewable transactions
09/24/19	15236	Toni Vanderlaan	0.40	\$ 372.00	Emails in respect of [REDACTED]
09/23/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Emails in respect of notices, WEPPA and other file matters
GRAND TOTAL			63.20	\$ 49,724.50	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

October 16, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003884

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through October 13, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads "Paul Bishop".

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

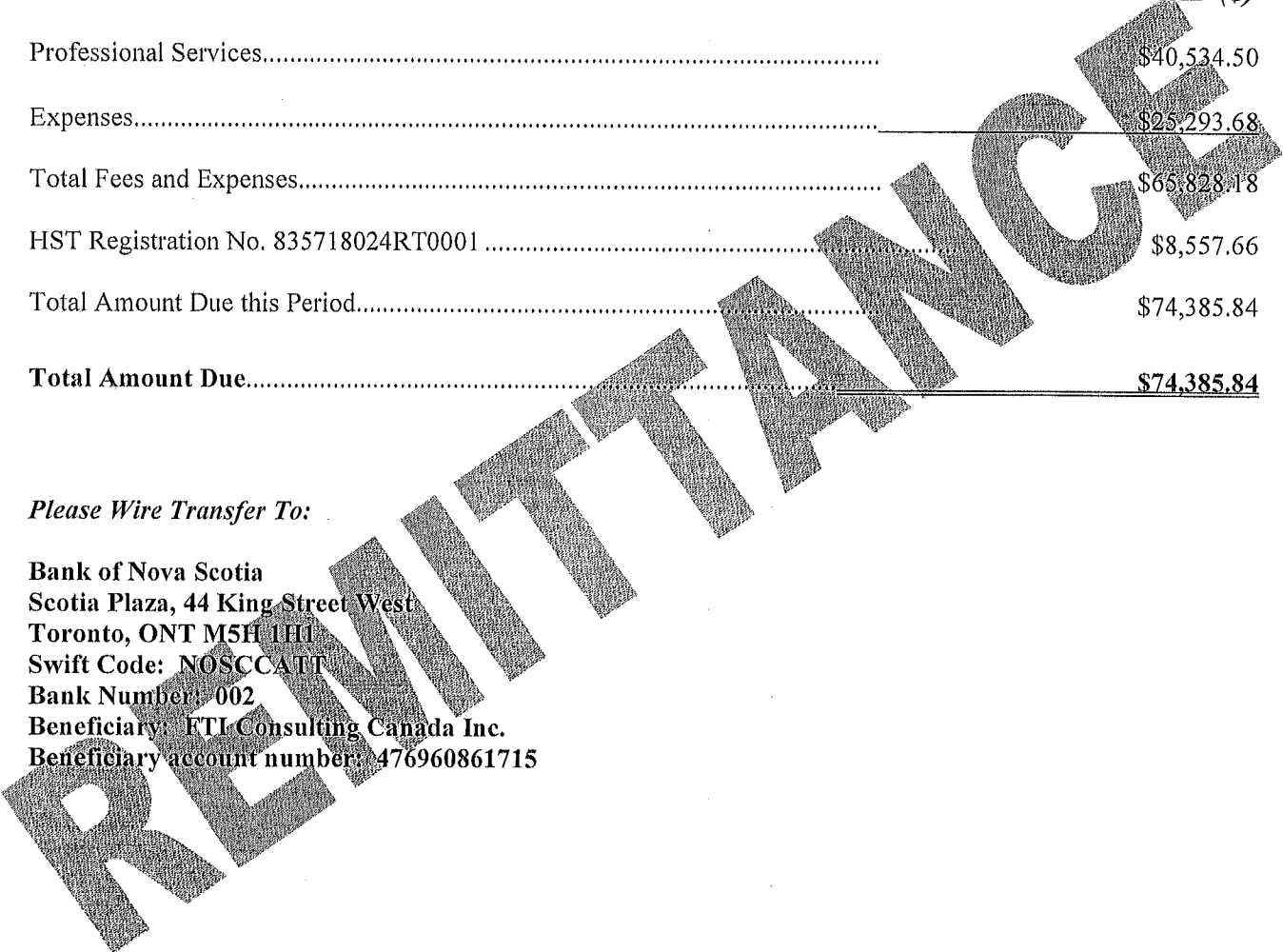
October 16, 2019
FTI Invoice No. 29003884
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through October 13, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$40,534.50
Expenses.....	\$25,293.68
Total Fees and Expenses.....	\$65,828.18
HST Registration No. 835718024RT0001	\$8,557.66
Total Amount Due this Period.....	\$74,385.84
Total Amount Due.....	<u>\$74,385.84</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715





Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

October 16, 2019
FTI Invoice No. 29003884
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through October 13, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	1.5	\$1,485.00
Paul Bishop	Senior Managing Director	\$990.00	3.3	\$3,267.00
Toni Vanderlaan	Senior Managing Director	\$930.00	16.0	\$14,880.00
James Robinson	Managing Director	\$810.00	13.5	\$10,935.00
Michael Basso	Senior Director	\$725.00	10.0	\$7,250.00
Ellen Dong	Director	\$685.00	0.5	\$342.50
Dilawar Azhar	Senior Consultant	\$475.00	5.0	\$2,375.00
Total Hours and Fees			49.8	\$40,534.50
Business Meals				\$83.68
Other/Miscellaneous				\$25,150.00
Transportation				\$60.00
Total Expenses				\$25,293.68
HST Registration No. 835718024RT0001				\$8,557.66
Invoice Total for Current Period				\$74,385.84

Payless Holdings - CCAA
466952.0002 - October 13, 2019

Date	TK#	Name	Hours	Amount	Narrative
10/04/19	27555	Dilawar Azhar	3.20	\$ 1,520.00	Logged approximately [REDACTED]; responded to multiple hotline queries.
10/07/19	27555	Dilawar Azhar	1.80	\$ 855.00	Logging proxies, hotline responses, sending summary to counsel
10/01/19	17571	Ellen Dong	0.50	\$ 342.50	Follow-up on [REDACTED]
10/04/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
10/03/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
10/08/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
10/10/19	23261	James Robinson	1.60	\$ 1,296.00	Attend CBB/BJ/FTI status call; address various claim matters and discussions regarding NOD's to be sent; review of votes received; correspondence and discussions regarding same.; consideration of various vendor matters and resolution; follow up call with BJ regarding pending matters.
10/09/19	23261	James Robinson	1.60	\$ 1,296.00	Meeting with T. Vanderlaan regarding status; review of updated plan document and draft receivership order and provide comments to BJ
10/09/19	23261	James Robinson	2.30	\$ 1,863.00	Review of meetings timelines and status; review of [REDACTED] budget update; review of updated reserve summary
10/11/19	23261	James Robinson	3.50	\$ 2,835.00	Review updated plan, plan supplement, and receivership order, and provide comments; review of plan flow of funds; address and consideration of various claims process matters; address and consideration of plan sanction order comments;
10/11/19	23261	James Robinson	4.50	\$ 3,645.00	Attend multiple calls with [REDACTED] multiple and on-going discussions and email correspondence with CBB/BJ/internal regarding pending matters; review of [REDACTED] for LP and process adjustments to streamline WEPPA process given CCAA claims process completed; attend status call with BJ/CBB; review of various US Chapter 11 materials;
10/02/19	23240	Michael Basso	1.30	\$ 942.50	Correspondence w/ S. Zweig re: TUV review period.Review 2014 FS statements, email to I. Lee re: review of IC note transactions on same.Correspondence from S. Zweig re: Payless reserves, meetings with T. Vanderlaan on same.
10/01/19	23240	Michael Basso	0.40	\$ 290.00	Correspondence re: payment request.Website update.Correspondence from TPH re: french printing.
10/03/19	23240	Michael Basso	0.90	\$ 652.50	Analysis of Prof Fees for Aug/September, correspondence with T. Vanderlaan on same. Review reserve calc.Correspondence with K. Foster re: Payless mailing.Meeting with T. Vanderlaan re: reserve call and cash balances. Correspondence with I. Lee re: cash balance.Correspondence re; cash balance.
10/04/19	23240	Michael Basso	0.70	\$ 507.50	Meeting with T. Vanderlaan re: claims, review register and send to T. Vanderlaan.Correspondence re: [REDACTED]. Meetings and correspondence re: [REDACTED].
10/11/19	23240	Michael Basso	3.70	\$ 2,682.50	Record Proxies received in hotline. Correspondence with certain claimants on same. Correspondence with CBB on same.Meeting with M. Sassi.Meeting with M. Sassi, update to Proxy summary re: class issue.Meetings re: proxies and receivership.
10/08/19	23240	Michael Basso	1.30	\$ 942.50	Correspondence re: [REDACTED].Correspondence from CBB re: amended plan and receivership order, review same and provide comments to T. Vanderlaan.Review employee claims re: claims register, meeting with T. Vanderlaan on same.Analysis of plan re: employee claims.Meeting with T. Vanderlaan re: Plan.
10/10/19	23240	Michael Basso	1.10	\$ 797.50	Correspondence re: payment request.Vmail from M. Shakra, review mailing list for claim notices, call back to M. Shakra (vmail) on same.Meetings and correspondence with M. Shakra re: [REDACTED].Correspondence re: plan with J. Robinson. Correspondence with D. Azhar re: proxies.
10/09/19	23240	Michael Basso	0.30	\$ 217.50	Correspondence re: Plan notifications.
10/07/19	23240	Michael Basso	0.30	\$ 217.50	Correspondence re: cash flow. Meetings and correspondence with D. Azhar re: proxies.
10/04/19	14800	Paul Bishop	0.70	\$ 693.00	Review of correspondence
10/02/19	14800	Paul Bishop	0.50	\$ 495.00	Review of correspondence
10/09/19	14800	Paul Bishop	0.90	\$ 891.00	Review of correspondence and materials
10/08/19	14800	Paul Bishop	1.20	\$ 1,188.00	Review of materials re plan
10/03/19	15236	Toni Vanderlaan	1.30	\$ 1,209.00	Call with Cassels and BJ and updates to [REDACTED] Discussions in respect of [REDACTED]
10/03/19	15236	Toni Vanderlaan	1.30	\$ 1,209.00	Calls with Cassels and BJ to update [REDACTED] budget and address claims issues
10/07/19	15236	Toni Vanderlaan	1.70	\$ 1,581.00	Update call with Cassels and BJ Discussions re claims and proxies; Update to schedules Emails re plan supplements
10/02/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Discussions in respect of [REDACTED]
10/04/19	15236	Toni Vanderlaan	2.10	\$ 1,953.00	Call with Cassels re claims Updates on creditors distributions Discussions on plan supplement
10/01/19	15236	Toni Vanderlaan	1.50	\$ 1,395.00	Discussions in respect of [REDACTED], [REDACTED] and claims
10/11/19	15236	Toni Vanderlaan	0.80	\$ 744.00	Call with Cassels in respect of Receivership orderPlanning call
10/05/19	15236	Toni Vanderlaan	0.30	\$ 279.00	Call with BJ re creditors issues and reserve schedule

Payless Holdings - CCAA
 466952.0002 - October 13, 2019

Date	TK#	Name	Hours	Amount	Narrative
10/02/19	15236	Toni Vanderlaan	0.90	\$ 837.00	Emails in respect of and updates to reserve schedule and budget
10/08/19	15236	Toni Vanderlaan	2.10	\$ 1,953.00	Review of motion materials Review of reserve amounts Review of claims and planning for Implementation Call with Cassels to discuss timing and materials and reserves
10/07/19	15236	Toni Vanderlaan	1.50	\$ 1,395.00	ApptAdminBD planning TMA committee work IWIRC committee work
10/09/19	15236	Toni Vanderlaan	1.40	\$ 1,302.00	Status update meeting Variance review Review of edits to materials
10/10/19	15236	Toni Vanderlaan	0.40	\$ 372.00	Update discussion and prep
GRAND TOTAL			49.80	\$ 40,534.60	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

October 31, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003911

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through October 31, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in cursive script that reads 'Paul Bishop'.

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

October 31, 2019
FTI Invoice No. 29003911
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through October 31, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$102,190.00
Expenses.....	\$844.37
Total Fees and Expenses.....	\$103,034.37
HST Registration No. 835718024RT0001	\$13,394.47
Total Amount Due this Period.....	\$116,428.84
Total Amount Due.....	<u>\$116,428.84</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCA1T
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

October 31, 2019
FTI Invoice No. 29003911
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through October 31, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	5.0	\$4,950.00
Paul Bishop	Senior Managing Director	\$990.00	3.5	\$3,465.00
Toni Vanderlaan	Senior Managing Director	\$930.00	13.2	\$12,276.00
James Robinson	Managing Director	\$810.00	54.6	\$44,226.00
Michael Basso	Senior Director	\$725.00	41.5	\$30,087.50
Ellen Dong	Director	\$685.00	1.2	\$822.00
Elizabeth Pearson	Senior Consultant	\$475.00	11.8	\$5,605.00
Dilawar Azhar	Senior Consultant	\$475.00	1.0	\$475.00
Kathleen Foster	Administrative Professional	\$135.00	2.1	\$283.50

Total Hours and Fees 133.9 \$102,190.00

Business Meals \$37.98

Other/Miscellaneous \$806.39

Total Expenses \$844.37

HST Registration No. 835718024RT0001 \$13,394.47

Invoice Total for Current Period \$116,428.84

Payless Holdings - CCAA
466952.0002 - October 31, 2019

Date	TK#	Name	Hours	Amount	Narrative
10/15/19	27555	Dilawar Azhar	0.30	\$ 142.50	Responding to hotline, logging proxies
10/17/19	27555	Dilawar Azhar	0.20	\$ 95.00	Website postings
10/23/19	27555	Dilawar Azhar	0.20	\$ 95.00	Website postings
10/25/19	27555	Dilawar Azhar	0.10	\$ 47.50	Website postings
10/30/19	27555	Dilawar Azhar	0.20	\$ 95.00	Website updates
10/17/19	20840	Elizabeth Pearson	0.50	\$ 237.50	Responding to creditor inquiries
10/18/19	20840	Elizabeth Pearson	3.50	\$ 1,662.50	Correspondence with a number of creditors re upcoming proxy deadline; receipt and log of proxies
10/21/19	20840	Elizabeth Pearson	4.80	\$ 2,280.00	Collection of proxies, responding to creditors and updating of proxy register
10/22/19	20840	Elizabeth Pearson	0.50	\$ 237.50	Correspondence with creditors with inquiries on the hotline
10/31/19	20840	Elizabeth Pearson	2.50	\$ 1,187.50	Review of plan of arrangement in advance of [REDACTED]; review of claims database and buildout of [REDACTED]
10/23/19	17571	Ellen Dong	0.50	\$ 342.50	Claims inquiry re: [REDACTED]
10/29/19	17571	Ellen Dong	0.70	\$ 479.50	Review landlord claim statements and clarify support
10/17/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
10/23/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
10/24/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
10/21/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
10/29/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
10/18/19	23261	James Robinson	4.10	\$ 3,321.00	Review priority claims information from Michael; status call with TV/MB; on-going correspondence and discussions with BJ/CBB/internal/Ankura regarding pending matters; coordination for the Seventh Report; review draft letter to stakeholder; preliminary re
10/21/19	23261	James Robinson	4.50	\$ 3,645.00	Review draft report and provide comments; multiple calls and on-going correspondence with CBB/BJ regarding pending matters; review updated vote tally; review creditor recovery estimates; review of September budget to actual analysis; review of ballot draf
10/15/19	23261	James Robinson	3.20	\$ 2,592.00	Review and comment on draft letter to [REDACTED]. Review updated materials for filing. Call with BJ regarding same and pending matters.
10/19/19	23261	James Robinson	3.20	\$ 2,592.00	Review meeting script and provide comments; review affidavit and provide comments; correspondence regarding same;
10/21/19	23261	James Robinson	3.80	\$ 3,078.00	Further review and editing of cash sections, update report tables, and review of TV comments; meeting of creditor preparation; further review of meeting scripts for [REDACTED];
10/14/19	23261	James Robinson	1.80	\$ 1,458.00	Review draft language for Sanction Order; review correspondence received, and multiple emails regarding pending matters.
10/28/19	23261	James Robinson	2.00	\$ 1,620.00	Review landlord claim matters and correspondence with MB and Ankura; claims process matters including [REDACTED];
10/23/19	23261	James Robinson	2.90	\$ 2,349.00	Finalize 7th report; review and provide comments on plan sanction affidavit; claims process matters including notices of revision/disallowance; website updates and coordination;
10/23/19	23261	James Robinson	2.30	\$ 1,863.00	Review and comment on motion materials; review and comment on updated 7th report; on-going correspondence and calls with CBB/BJ/Ankura regarding creditors meetings, 7th report, and other pending matters; review plan sanction NOM and provide comments; revi
10/31/19	23261	James Robinson	1.90	\$ 1,539.00	Draft status update and discussions with team; comfort letter correspondence and review of materials received; disbursements; review landlord claim matters;
10/29/19	23261	James Robinson	2.40	\$ 1,944.00	Prepare for and attend at court for, re: sanction and receivership orders.
10/30/19	23261	James Robinson	1.40	\$ 1,134.00	[REDACTED]; review BJ edits; provide additional comments to BJ on [REDACTED];
10/30/19	23261	James Robinson	2.30	\$ 1,863.00	Review website and draft language for relevant updates; additional discussions and correspondence regarding CRA comfort letter; various claim matters and discussions regarding same.
10/16/19	23261	James Robinson	4.50	\$ 3,645.00	Call with Service Canada regarding WEPP planning; review Sixth report and provide comments; finalize sixth report; correspondence with BJ regarding same;
10/17/19	23261	James Robinson	3.70	\$ 2,997.00	Respond to stakeholder inquiries; discussions regarding [REDACTED]; address various claims matters and proxy matters; preparation for the seventh report; attend status call with BJ/CBB/FTI;
10/23/19	23261	James Robinson	2.10	\$ 1,701.00	Prepare for and attend creditors' meeting for GUC and landlord classes
10/24/19	23261	James Robinson	0.70	\$ 567.00	Daily disbursements; review correspondence received;
10/25/19	23261	James Robinson	2.60	\$ 2,106.00	Review draft factum and correspond regarding same; respond to stakeholder inquiries; website coordination and postings; call with CBB regarding pending matters; correspondence with BJ regarding pending matters;
10/22/19	23261	James Robinson	5.20	\$ 4,212.00	On-going correspondence and calls with BJ regarding pending reports and Court materials; review CBB report comments received and discussions regarding same; review draft notices of disallowance and discussions regarding same; address various creditor matt
10/16/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.

Payless Holdings - CCAA
466952.0002 - October 31, 2019

Date	TK#	Name	Hours	Amount	Narrative
10/17/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
10/24/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
10/23/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
10/30/19	24354	Kathleen Foster	0.60	\$ 81.00	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
10/29/19	24354	Kathleen Foster	0.30	\$ 40.50	Website updates performed for FTI Case Sites for Payless Canada. Requested by Dilawar Azhar.
10/17/19	23240	Michael Basso	5.40	\$ 3,915.00	Correspondence re: payment request. Correspondence re: 6th report. Record proxies from hotline. Meetings and correspondence re: Cadillac Proxy. Update Claims Register re: proxies, file same. Review Priority Unsecured Claims. Correspondence re: post-filing
10/15/19	23240	Michael Basso	2.60	\$ 1,885.00	Correspondence re: amended plan, receivership etc. Correspondence re: WEPPA. Correspondence re: proxies, review of same, send to Jim. Meetings and correspondence re: Plan supplement and TUVs. Meetings and correspondence re: TUV. Correspondence re: TUVCor
10/18/19	23240	Michael Basso	3.80	\$ 2,755.00	File proxies received, prepare update for CBB. Meeting with J. Robinson re: Post-filing payments and procedure at meeting. Correspondence with M. Sassi re: [REDACTED]. Correspondence re: meeting and post-filing claims etc. Correspondence re: employee
10/16/19	23240	Michael Basso	5.20	\$ 3,770.00	Correspondence re: draft report, review same, corral comments. Meetings re: 6th report, correspondence on same. Meetings and correspondence re: 6th report. Correspondence re: 6th report.
10/25/19	23240	Michael Basso	0.30	\$ 217.50	Correspondence re: [REDACTED]
10/24/19	23240	Michael Basso	0.10	\$ 72.50	Update Appendix A for Linda's clients. Prepare for Plan meetings. Travel to CBBs offices and attend Plan meetings. Travel back. Correspondence re: Plan. Meetings and correspondence re: claims. Updates to same, send to group. Scan and file Plan meeting doc
10/31/19	23240	Michael Basso	3.70	\$ 2,682.50	Review landlord claims. Correspondence re; status with Jim and Toni. Correspondence re: [REDACTED] and correspondence to Ankura [REDACTED]. Meetings and correspondence re: WEPPA etc. Correspondence re: status Meetings with J. Robinson and T. Vande
10/23/19	23240	Michael Basso	3.90	\$ 2,827.50	Update Appendix A for Linda's clients. Prepare for Plan meetings. Travel to CBBs offices and attend Plan meetings. Travel back. Correspondence re: Plan. Meetings and correspondence re: claims. Updates to same, send to group. Scan and file Plan meeting doc
10/22/19	23240	Michael Basso	5.00	\$ 3,625.00	Correspondence re: proxies/voting with BJ. Correspondence with Scotia re: [REDACTED]. Prepare attendance sheets and voting spreadsheet for meeting. Correspondence re: D&O Claims. Review and update same. Meeting with J. Robinson re: conduct at meetings.
10/21/19	23240	Michael Basso	4.40	\$ 3,190.00	Correspondence re: 7th Report and distributions. Correspondence re: reserves [REDACTED]. Correspondence on same. Correspondence re: proxy identification. Draft cash sections of 7th report, correspondence on same. Prepare [REDACTED]. Correspond
10/29/19	23240	Michael Basso	3.10	\$ 2,247.50	Correspondence re: Claims with BJ and J. Robinson. Correspondence re: Claims Procedure, meeting on same. Correspondence re: listed claim issue. Correspondence with I. Lee re: landlord claim issues. Review superseded claims registers, correspondence with E
10/28/19	23240	Michael Basso	3.40	\$ 2,465.00	Correspondence re: Notices of Revision/Disallowance File correspondence Meeting re: CPO and notices. Review claims register re: multiple entries. File correspondence re: CPO. Correspondence re: Claims with CBB. Review claims register on same. Corresponden
10/30/19	23240	Michael Basso	0.60	\$ 435.00	Correspondence re: landlord claim issues. Correspondence re: Website update and correspondence re: Plan meeting minutes.
10/15/19	14800	Paul Bishop	1.20	\$ 1,188.00	Review of report and court materials
10/17/19	14800	Paul Bishop	0.80	\$ 792.00	Review of docs, call to Torgs
10/18/19	14800	Paul Bishop	0.40	\$ 396.00	Review of materials and correspondence
10/31/19	14800	Paul Bishop	1.10	\$ 1,089.00	Review of draft materials and correspondence
10/16/19	15236	Toni Vanderlaan	1.40	\$ 1,302.00	Revisions to draft Monitor's report Emails and calls in respect of revisions
10/16/19	15236	Toni Vanderlaan	0.80	\$ 744.00	Finalizing Monitor report
10/17/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Status call with Cassels
10/16/19	15236	Toni Vanderlaan	0.90	\$ 837.00	Plan implementation planning and meetings order
10/18/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Update call
10/16/19	15236	Toni Vanderlaan	3.10	\$ 2,883.00	Review and edits to 6th report Emails and calls to discuss changes Final approval of report
10/23/19	15236	Toni Vanderlaan	0.30	\$ 279.00	Monitor's seventh Report
10/30/19	15236	Toni Vanderlaan	0.20	\$ 186.00	Planning
10/29/19	15236	Toni Vanderlaan	0.30	\$ 279.00	Follow up on court and [REDACTED]
10/31/19	15236	Toni Vanderlaan	0.40	\$ 372.00	Planning call for implementation

Payless Holdings - CCAA
 466952.0002 - October 31, 2019

Date	TK#	Name	Hours	Amount	Narrative
10/16/19	15236	Toni Vanderlaan	-3.10	\$ (2,883.00)	Reversal time already booked
10/17/19	15236	Toni Vanderlaan	0.70	\$ 651.00	Discussions in respect of post filing amounts and payment of invoices
10/15/19	15236	Toni Vanderlaan	1.10	\$ 1,023.00	Monitor 6th reportDiscussions on implementing meeting order and plan
10/22/19	15236	Toni Vanderlaan	0.90	\$ 837.00	Revisions to 7th report
10/21/19	15236	Toni Vanderlaan	3.10	\$ 2,883.00	Review of materials Seventh report Prep for implementation Prep for meetings
10/23/19	15236	Toni Vanderlaan	2.10	\$ 1,953.00	Attendance at Meetings of CreditorsDiscussions in terms on next steps
GRAND TOTAL			133.90	\$ 102,190.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

November 20, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003924

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through November 17, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads 'Paul Bishop'.

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

November 20, 2019
FTI Invoice No. 29003924
FTI Job No. 466952.002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through November 17, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$27,664.00
Expenses.....	\$17,248.00
Total Fees and Expenses.....	\$44,912.00
HST Registration No. 835718024RT0001	\$5,838.56
Total Amount Due this Period.....	\$50,750.56
Total Amount Due.....	<u>\$50,750.56</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCA11
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

November 20, 2019
FTI Invoice No. 29003924
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through November 17, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	2.5	\$2,475.00
Paul Bishop	Senior Managing Director	\$990.00	2.6	\$2,574.00
Toni Vanderlaan	Senior Managing Director	\$930.00	3.6	\$3,348.00
James Robinson	Managing Director	\$810.00	16.2	\$13,122.00
Michael Basso	Senior Director	\$725.00	1.4	\$1,015.00
Elizabeth Pearson	Senior Consultant	\$475.00	10.8	\$5,130.00
Total Hours and Fees			37.1	\$27,664.00
Other/Miscellaneous				\$17,248.00
Total Expenses				\$17,248.00
HST Registration No. 835718024RT0001				\$5,838.56
Invoice Total for Current Period				\$50,750.56

Payless Holdings - CCAA
466952.0002 - November 17, 2019

Date	TK#	Name	Hours	Amount	Narrative
11/01/19	20840	Elizabeth Pearson	3.50	\$ 1,662.50	Review of plan of arrangement; construction of [REDACTED]; review of [REDACTED]
11/06/19	20840	Elizabeth Pearson	1.50	\$ 712.50	Updating [REDACTED]; review of [REDACTED]
11/04/19	20840	Elizabeth Pearson	0.50	\$ 237.50	Review of claims schedule and correspondence with team re outstanding items
11/07/19	20840	Elizabeth Pearson	2.50	\$ 1,187.50	Review of claims database and update to distribution schedules; review and issuance of NORDs; correspondence with counsel re plan implementation
11/12/19	20840	Elizabeth Pearson	2.80	\$ 1,330.00	Update of claims register for NORDs issued; review of remaining outstanding items in claims register; review of duplicative employee claims and correspondence with team and counsel re same
11/07/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/06/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/04/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/11/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/13/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/01/19	23261	James Robinson	1.60	\$ 1,296.00	Correspondence with BJ, re: comfort letter discussions; review updated NORD's and provide comments; review certain claims and draft correspondence regarding same; call with M. Sassi regarding various claim matters and pending issues;
11/05/19	23261	James Robinson	1.20	\$ 972.00	Review administrative reserve status and communications regarding same; respond to claims inquiries from CBB; review correspondence received;
11/04/19	23261	James Robinson	1.40	\$ 1,134.00	Call with M. Sassi regarding NORDs; update meeting with T. Vanderlaan; review actuals detail provided by K. Tibbits; review [REDACTED];
11/07/19	23261	James Robinson	1.60	\$ 1,296.00	Plan implementation timing and coordination, and correspondence regarding same; review additional NORD's received from CBB and provide comments regarding same; NORD coordination with L. Pearson and related discussions.
11/06/19	23261	James Robinson	1.10	\$ 891.00	Attend call regarding [REDACTED] and review correspondence regarding same, subsequent email with relevant support; on-going correspondence and discussions with L. Pearson regarding claims and notices;
11/13/19	23261	James Robinson	2.80	\$ 2,268.00	Review plan implementation draft documentation (directions/acknowledgments/reserves/accounts/e.c.); reserve disbursement coordination; NORD's review and coordination, and discussions regarding same; review of duplicative employee claims and resolution;
11/15/19	23261	James Robinson	1.80	\$ 1,458.00	Call with legal counsel to landlord regarding [REDACTED] and subsequent review of information received; coordination with Ankura/company regarding review of [REDACTED]; plan implementation preparation and coordination;
11/11/19	23261	James Robinson	1.60	\$ 1,296.00	Review and finalize NORD's to be issued; discussions regarding employee data and information; on-going discussions and correspondence with CBB/BJ/FTI regarding same;
11/14/19	23261	James Robinson	1.90	\$ 1,539.00	Review updated plan implementation documentation received from CBB; correspondence regarding amended employee claims and notices to be issued; review of disbursements; review correspondence received;
11/12/19	23261	James Robinson	1.20	\$ 972.00	Call with N. Levine regarding pending matters and plan implementation coordination; review correspondence received;
11/01/19	23240	Michael Basso	0.60	\$ 435.00	Correspondence re: City of Edmonton. Correspondence re: claims. Meeting with L. Pearson re: [REDACTED].
11/04/19	23240	Michael Basso	0.50	\$ 362.50	Meeting re: [REDACTED]. Meetings with T. Vanderlaan re: [REDACTED].
11/11/19	23240	Michael Basso	0.30	\$ 217.50	Correspondence re: [REDACTED].
11/07/19	14800	Paul Bishop	0.80	\$ 792.00	Review of correspondence
11/14/19	14800	Paul Bishop	1.10	\$ 1,089.00	Review of correspondence and status review
11/11/19	14800	Paul Bishop	0.70	\$ 693.00	Review of correspondence
11/01/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Implementation presentation Claims schedules
11/06/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Update discussion with Jim Review of Notices Information for WEPPA
11/08/19	15236	Toni Vanderlaan	0.50	\$ 465.00	Review of information for WEPPA letters
11/04/19	15236	Toni Vanderlaan	0.60	\$ 558.00	Information for WEPPA Follow up on status of matters and prep for implementation
11/11/19	15236	Toni Vanderlaan	0.60	\$ 558.00	Notice of Amendments Claims
11/12/19	15236	Toni Vanderlaan	0.60	\$ 558.00	WEPPA [REDACTED]
11/13/19	15236	Toni Vanderlaan	0.30	\$ 279.00	WEPPA letters
GRAND TOTAL			37.10	\$ 27,664.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

November 30, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003934

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through November 30, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads "Paul Bishop".

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

November 30, 2019
FTI Invoice No. 29003934
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through November 30, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$12,140.00
Expenses.....	\$0.00
Total Fees and Expenses.....	\$12,140.00
HST Registration No. 835718024RT0001	\$1,578.20
Total Amount Due this Period.....	\$13,718.20
Previous Balance Due.....	\$50,750.56
Total Amount Due.....	<u>\$64,468.76</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCAT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

November 30, 2019
FTI Invoice No. 29003934
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through November 30, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	2.0	\$1,980.00
Paul Bishop	Senior Managing Director	\$990.00	0.5	\$495.00
James Robinson	Managing Director	\$810.00	9.3	\$7,533.00
Ellen Dong	Director	\$685.00	0.2	\$137.00
Elizabeth Pearson	Senior Consultant	\$475.00	4.2	\$1,995.00
Total Hours and Fees			16.2	\$12,140.00

HST Registration No. 835718024RT0001 \$1,578.20

Invoice Total for Current Period **\$13,718.20**

Payless Holdings - CCAA
466952.0002 - November 30, 2019

Date	TK#	Name	Hours	Amount	Narrative
11/19/19	20840	Elizabeth Pearson	1.20	\$ 570.00	Updates to claims register and recovery schedule based on NORDs issued
11/21/19	20840	Elizabeth Pearson	1.80	\$ 855.00	Issuance of updated employee claim statements for duplicative claims; update of claims register re same
11/25/19	20840	Elizabeth Pearson	1.20	\$ 570.00	Review of EE claims sent and confirmation of [REDACTED]; update of claims database
11/25/19	17571	Ellen Dong	0.20	\$ 137.00	Review claims register for employees with claim statements and update counsel.
11/19/19	14798	Gregory Watson	1.00	\$ 990.00	Correspondence.
11/27/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/29/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
11/18/19	23261	James Robinson	2.10	\$ 1,701.00	Review updated Acknowledgment, Direction and Cancellation; review and follow up on flow of funds; address [REDACTED]; review draft certificate; various correspondence with BJ/CBB regarding same;
11/19/19	23261	James Robinson	1.80	\$ 1,458.00	Claims process and employee claims matters; review draft employee notice and provide comments; review draft amended employee claim statement; daily disbursements;
11/21/19	23261	James Robinson	0.70	\$ 567.00	Address [REDACTED]; finalize amended employee claim statements;
11/25/19	23261	James Robinson	1.40	\$ 1,134.00	Correspond with CBB regarding plan implementation status and pending matters; review and finalize NORD's to be issued; review of data provided by company; discussions with LP;
11/27/19	23261	James Robinson	1.50	\$ 1,215.00	Review [REDACTED] CBB; correspond via email/phone with BJ/CBB regarding pending matters; review CRA correspondence and proposed company response from CBB, and corroborate numbers; review documents filed in the US proceedings;
11/26/19	23261	James Robinson	1.80	\$ 1,458.00	Review draft letter, re; [REDACTED]; review claim statement information provided by LP; review [REDACTED]; correspond with CBB regarding same; respond to stakeholder inquiries;
11/20/19	14800	Paul Bishop	0.50	\$ 495.00	Review of correspondence
GRAND TOTAL			16.20	\$ 12,140.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

December 17, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003958

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through December 15, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in cursive script that reads 'Paul Bishop'.

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

December 17, 2019
FTI Invoice No. 29003958
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through December 15, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$10,878.00
Expenses.....	\$0.00
Total Fees and Expenses.....	\$10,878.00
HST Registration No. 835718024RT0001	\$1,414.14
Total Amount Due this Period.....	\$12,292.14
Total Amount Due.....	<u>\$12,292.14</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCA11
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

December 17, 2019
FTI Invoice No. 29003958
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through December 15, 2019

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$990.00	0.5	\$495.00
Paul Bishop	Senior Managing Director	\$990.00	0.9	\$891.00
James Robinson	Managing Director	\$810.00	8.2	\$6,642.00
Elizabeth Pearson	Senior Consultant	\$475.00	6.0	\$2,850.00
Total Hours and Fees			15.6	\$10,878.00

HST Registration No. 835718024RT0001 \$1,414.14

Invoice Total for Current Period **\$12,292.14**

Payless Holdings - CCAA
 466952.0002 - December 15, 2019

Date	TK#	Name	Hours	Amount	Narrative
12/05/19	20840	Elizabeth Pearson	0.80	\$ 380.00	Review of NORDs issued and update of claims register
12/02/19	20840	Elizabeth Pearson	0.30	\$ 142.50	Correspondence with creditor re [REDACTED]
12/06/19	20840	Elizabeth Pearson	2.30	\$ 1,092.50	Update of claims register; review of [REDACTED] with team; review of outgoing NORd; comparison to previous claims registers
12/10/19	20840	Elizabeth Pearson	0.50	\$ 237.50	Update of claims register; discussion with team re same
12/13/19	20840	Elizabeth Pearson	0.30	\$ 142.50	Hotline; correspondence with reception re fax/mail
12/12/19	20840	Elizabeth Pearson	1.80	\$ 855.00	Prep for and attendance at meeting with counsel regarding actions taken with claims and review of all outstanding claims; follow up re same
12/04/19	14798	Gregory Watson	0.50	\$ 495.00	Correspondence.
12/06/19	23261	James Robinson	0.80	\$ 648.00	Meet with LP to review claim register and other claims process matters; review of [REDACTED] and detailed support for receipts/disbursements;
12/05/19	23261	James Robinson	0.60	\$ 486.00	Call with CBB regarding claims process matters; review correspondence received;
12/09/19	23261	James Robinson	1.30	\$ 1,053.00	Call with N. Levine regarding claims matters; call with claimant, review of their reconciliation, and correspondence regarding same; other discussions and correspondence regarding pending claims process matters.
12/02/19	23261	James Robinson	1.70	\$ 1,377.00	Discussions regarding [REDACTED] correspond with Ankura regarding post-filing amounts; review [REDACTED] review settlement details from K. Tibbits; other claims process matters;
12/03/19	23261	James Robinson	0.40	\$ 324.00	Review of disbursements; update correspondence on plan timing
12/04/19	23261	James Robinson	0.10	\$ 81.00	Review disbursement request and correspond with Company.
12/12/19	23261	James Robinson	0.90	\$ 729.00	Meet with CBB to review claims register and status of pending claims; discussions regarding pending matter with LP.
12/11/19	23261	James Robinson	1.20	\$ 972.00	Review claim register and notes from LP; meet with LP to go through updates and pending items.
12/10/19	23261	James Robinson	0.60	\$ 486.00	Review updated NORd, finalize and issue; updated claims register; and review other correspondence received.
12/13/19	23261	James Robinson	0.60	\$ 486.00	Status cal with BJ; review of correspondence received from [REDACTED]
12/02/19	14800	Paul Bishop	0.40	\$ 396.00	Review of OS matters
12/11/19	14800	Paul Bishop	0.50	\$ 495.00	Review of correspondence
GRAND TOTAL			15.60	\$ 10,878.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

December 31, 2019

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29003975

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through December 31, 2019.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads 'Paul Bishop'.

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

December 31, 2019
FTI Invoice No. 29003975
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through December 31, 2019

	<i>CAD (\$)</i>
Professional Services.....	\$2,729.00
Expenses.....	\$0.00
Total Fees and Expenses.....	\$2,729.00
HST Registration No. 835718024RT0001	\$354.77
Total Amount Due this Period.....	\$3,083.77
Previous Balance Due.....	\$12,292.14
Total Amount Due.....	<u>\$15,375.91</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCAT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

December 31, 2019
FTI Invoice No. 29003975
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through December 31, 2019

Name	Title	Rate	Hours	Total
James Robinson	Managing Director	\$810.00	2.9	\$2,349.00
Elizabeth Pearson	Senior Consultant	\$475.00	0.8	\$380.00
Total Hours and Fees			3.7	\$2,729.00

HST Registration No. 835718024RT0001 \$354.77

Invoice Total for Current Period **\$3,083.77**

Payless Holdings - CCAA
 466952.0002 - December 31, 2019

Date	TK#	Name	Hours	Amount	Narrative
12/20/19	20840	Elizabeth Pearson	0.80	\$ 380.00	Brief review of claims filed in US proceedings; update of claims register; correspondence re same
12/16/19	23261	James Robinson	1.10	\$ 891.00	Call with CBB regarding claims process matters, and correspond with BJ regarding same; review [REDACTED]
12/19/19	23261	James Robinson	1.80	\$ 1,458.00	Claims matters and correspond with LP; correspondence regarding plan implementation timing and reserves; review US claims information;
GRAND TOTAL			3.70	\$ 2,729.00	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

January 15, 2020

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29004003

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through January 12, 2020.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in cursive script that reads "Paul Bishop".

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

January 15, 2020
FTI Invoice No. 29004003
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 12, 2020

	<i>CAD (\$)</i>
Professional Services.....	\$3,439.50
Expenses.....	\$0.00
Total Fees and Expenses.....	\$3,439.50
HST Registration No. 835718024RT0001	\$447.14
Total Amount Due this Period.....	\$3,886.64
Previous Balance Due.....	\$15,375.91
Total Amount Due.....	<u>\$19,262.55</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

January 15, 2020
FTI Invoice No. 29004003
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 12, 2020

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$1,020.00	0.5	\$510.00
Toni Vanderlaan	Senior Managing Director	\$955.00	0.8	\$764.00
James Robinson	Managing Director	\$835.00	2.3	\$1,920.50
Elizabeth Pearson	Senior Consultant	\$490.00	0.5	\$245.00
Total Hours and Fees			4.1	\$3,439.50

HST Registration No. 835718024RT0001 \$447.14

Invoice Total for Current Period **\$3,886.64**

Payless Holdings - CCAA
 466952.0002 - January 12, 2020

Date	TK#	Name	Hours	Amount	Narrative
01/09/20	20840	Elizabeth Pearson	0.50	\$ 245.00	Correspondence with [REDACTED]
01/06/20	14798	Gregory Watson	0.50	\$ 510.00	Correspondence.
01/03/20	23261	James Robinson	2.30	\$ 1,920.50	Call with CBB regarding pending matters and pending plan implementation; review of [REDACTED] correspond with CBB and Ankura; review and execute closing documents to be held in escrow.
01/06/20	15236	Toni Vanderlaan	0.80	\$ 764.00	Prep call with Jim re closing planReview of current materials.
GRAND TOTAL			4.10	\$ 3,439.50	



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K 1G8

January 31, 2020

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

Re: FTI Job No. 466952.0002
Invoice # 29004021

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through January 31, 2020.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in black ink that reads "Paul Bishop".

Paul Bishop
Senior Managing Director

Enclosures



Invoice Remittance

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

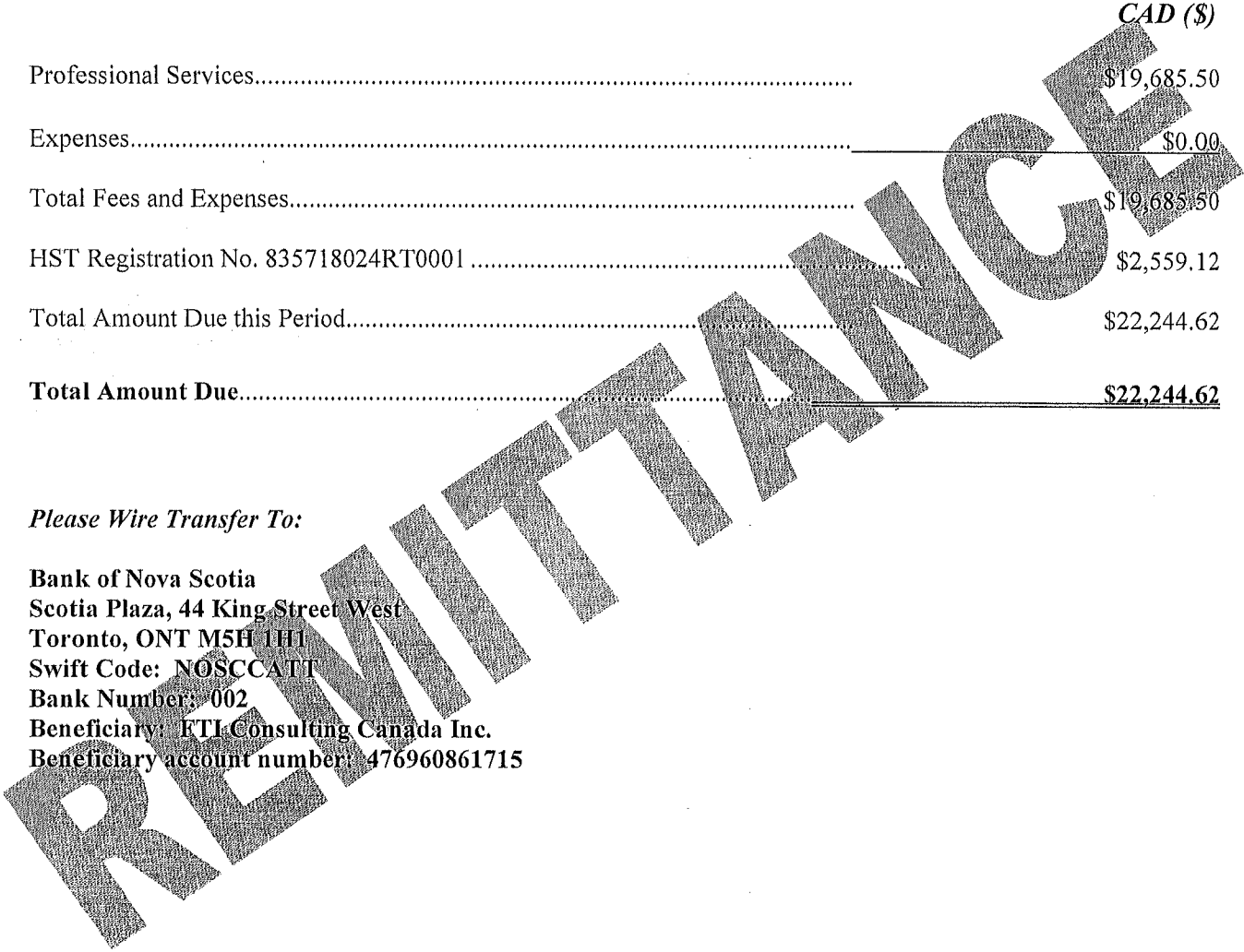
January 31, 2020
FTI Invoice No. 29004021
FTI Job No. 466952.0002
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 31, 2020

	<i>CAD (\$)</i>
Professional Services.....	\$19,685.50
Expenses.....	\$0.00
Total Fees and Expenses.....	\$19,685.50
HST Registration No. 835718024RT0001	\$2,559.12
Total Amount Due this Period.....	\$22,244.62
Total Amount Due.....	<u>\$22,244.62</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCAT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715





Invoice Summary

Payless ShoeSource Canada Inc.
3231 SE 6th Avenue
Topeka, KS 66607

January 31, 2020
FTI Invoice No. 29004021
FTI Job No. 466952.0002
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 31, 2020

Name	Title	Rate	Hours	Total
Toni Vanderlaan	Senior Managing Director	\$955.00	5.9	\$5,634.50
James Robinson	Managing Director	\$835.00	13.5	\$11,272.50
Michael Basso	Senior Director	\$745.00	0.6	\$447.00
Ellen Dong	Director	\$705.00	1.5	\$1,057.50
Elizabeth Pearson	Senior Consultant	\$490.00	2.5	\$1,225.00
Dilawar Azhar	Senior Consultant	\$490.00	0.1	\$49.00
Total Hours and Fees			24.1	\$19,685.50

HST Registration No. 835718024RT0001 \$2,559.12

Invoice Total for Current Period **\$22,244.62**

Payless Holdings - CCAA
466952.0002 - January 31, 2020

Date	TK#	Name	Hours	Amount	Narrative
01/16/20	27555	Dilawar Azhar	0.10	\$ 49.00	Website updates.
01/22/20	20840	Elizabeth Pearson	0.50	\$ 245.00	Update call with team and counsel; correspondence with [REDACTED]
01/29/20	20840	Elizabeth Pearson	1.50	\$ 735.00	Review call with team re claim resolution; status update call with team and counsel
01/31/20	20840	Elizabeth Pearson	0.50	\$ 245.00	Correspondence with a couple of employees re disputed claims
01/29/20	17571	Ellen Dong	1.50	\$ 1,057.50	Preparation of wires and transaction record summary for deposits and disbursements.
01/08/20	23261	James Robinson	1.20	\$ 1,002.00	Review correspondence on plan implementation matters;
01/15/20	23261	James Robinson	2.80	\$ 2,338.00	Preparation for plan implementation on Thursday; review of final flow of funds and related support files; coordination with BJ/Ankura/CBB
01/16/20	23261	James Robinson	2.30	\$ 1,920.50	Plan implementation matters, and calls and correspondence with BJ/CBB/Ankura regarding same; [REDACTED]
01/22/20	23261	James Robinson	1.30	\$ 1,085.50	[REDACTED] banking fund receipt confirmation and tracking;
01/23/20	23261	James Robinson	0.80	\$ 668.00	Attend call with company and CBB regarding employee matters; review [REDACTED] received; respond to certain stakeholder inquiries.
01/23/20	23261	James Robinson	0.80	\$ 668.00	Attend next steps call with CBB and BJ; follow up on OS claims process matters
01/21/20	23261	James Robinson	0.50	\$ 417.50	Call with N. Levine at CBB regarding company information requests and next steps.
01/29/20	23261	James Robinson	3.20	\$ 2,672.00	Attend update call; review of claims matters; call with LP regarding claims issues outstanding
01/29/20	23261	James Robinson	0.10	\$ 83.50	Payments review and reserves
01/30/20	23261	James Robinson	1.30	\$ 1,085.50	Address employee matters, and employee data required; correspondence with Ankura and CBB regarding same; review [REDACTED] provided by company and respond with comments.
01/29/20	23240	Michael Basso	0.60	\$ 447.00	Meetings and correspondence re: [REDACTED]
01/27/20	15236	Toni Vanderlaan	1.50	\$ 1,432.50	[REDACTED]. Review of Order/Monitors certificate on same.
01/24/20	15236	Toni Vanderlaan	0.80	\$ 764.00	Banking and administration relating to payments
01/24/20	15236	Toni Vanderlaan	0.80	\$ 764.00	Banking
01/23/20	15236	Toni Vanderlaan	0.50	\$ 477.50	Status and planning call
01/27/20	15236	Toni Vanderlaan	0.80	\$ 764.00	Calls with respect to status of claims and extension hearing
01/28/20	15236	Toni Vanderlaan	1.10	\$ 1,050.50	Banking administration
01/29/20	15236	Toni Vanderlaan	1.20	\$ 1,146.00	Banking administration
GRAND TOTAL			24.10	\$ 19,685.50	

THIS IS EXHIBIT "B" REFERRED TO IN THE

AFFIDAVIT OF PAUL BISHOP

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.

Aiden Neims

Exhibit "B"

Invoice #	Period Ending	Date	Fees	Expenses	HST	Total
29003836	15-Sep-19	17-Sep-19	\$ 89,605.00	\$ -	\$ 11,648.65	\$ 101,253.65
29003855	30-Sep-19	30-Sep-19	\$ 49,724.50	\$ 7,287.77	\$ 7,411.60	\$ 64,423.87
29003884	13-Oct-19	16-Oct-19	\$ 40,534.50	\$ 25,293.68	\$ 8,557.66	\$ 74,385.84
29003911	31-Oct-19	31-Oct-19	\$ 102,190.00	\$ 844.37	\$ 13,394.47	\$ 116,428.84
29003924	17-Nov-19	20-Nov-19	\$ 27,664.00	\$ 17,248.00	\$ 5,838.56	\$ 50,750.56
29003934	30-Nov-19	30-Nov-19	\$ 12,140.00	\$ -	\$ 1,578.20	\$ 13,718.20
29003958	15-Dec-19	17-Dec-19	\$ 10,878.00	\$ -	\$ 1,414.14	\$ 12,292.14
29003975	30-Dec-19	31-Dec-19	\$ 2,729.00	\$ -	\$ 354.77	\$ 3,083.77
29004003	12-Jan-20	15-Jan-20	\$ 3,439.50	\$ -	\$ 447.14	\$ 3,886.64
29004021	31-Jan-20	31-Jan-20	\$ 19,685.50	\$ -	\$ 2,559.12	\$ 22,244.62
TOTAL			\$ 358,590.00	\$ 50,673.82	\$ 53,204.31	\$ 462,468.13

THIS IS EXHIBIT "C" REFERRED TO IN THE

AFFIDAVIT OF PAUL BISHOP

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.

Aiden Nelms

Exhibit "C"

Name	Title	Billing Year	Rate	Hours	Fees
Gregory Watson	Senior Managing Director	2019	\$ 990.00	18.5	\$ 18,315.00
		2020	\$ 1,020.00	0.50	\$ 510.00
Paul Bishop	Senior Managing Director	2019	\$ 990.00	35.6	\$ 35,244.00
		2020	\$ -	-	\$ -
Toni Vanderlaan	Senior Managing Director	2019	\$ 930.00	58.4	\$ 54,312.00
		2020	\$ 955.00	6.7	\$ 6,398.50
James Robinson	Managing Director	2019	\$ 810.00	159.6	\$ 129,276.00
		2020	\$ 835.00	15.8	\$ 13,193.00
Michael Basso	Senior Director	2019	\$ 725.00	92.1	\$ 66,772.50
		2020	\$ 745.00	0.6	\$ 447.00
Ellen Dong	Director	2019	\$ 685.00	17.2	\$ 11,782.00
		2020	\$ 705.00	1.5	\$ 1,057.50
Elizabeth Pearson	Senior Consultant	2019	\$ 475.00	33.6	\$ 15,960.00
		2020	\$ 490.00	3	\$ 1,470.00
Dilawar Azhar	Senior Consultant	2019	\$ 475.00	6.7	\$ 3,182.50
		2020	\$ 490.00	0.1	\$ 49.00
Kathleen Foster	Administrative Professional	2019	\$ 135.00	4.6	\$ 621.00
		2020	\$ -	-	\$ -
TOTAL				454.5	\$ 358,590.00

Blended Rate (excluding expenses and HST) \$358,590.00 ÷ 454.5 hours =	\$788.98
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**OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS SHOESOURCE CANADA INC. AND
PAYLESS SHOESOURCE CANADA GP INC. (the "Applicants")**

Court File No.: CV-19-00614629-00CL

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

Proceeding commenced at Toronto

**AFFIDAVIT OF PAUL BISHOP
(sworn February 13, 2020)**

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Sean H. Zweig (LSO #57307I)
Michael Shakra (LSO # 64604K)
Aiden Nelms (LSO# 74170S)

Tel: (416) 863-1200
Fax: (416) 863-1716

Counsel to the Monitor,
FTI Consulting Canada Inc.

APPENDIX "E"

[ATTACHED]

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
PAYLESS SHOESOURCE CANADA INC. AND PAYLESS SHOESOURCE CANADA
GP INC.

(the "Applicants")

AFFIDAVIT OF SEAN H. ZWEIG
(sworn February 13, 2020)

I, **SEAN H. ZWEIG**, of the City of Toronto, in the Province of Ontario, **MAKE OATH**
AND SAY AS FOLLOWS:

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and am a partner with Bennett Jones LLP ("**Bennett Jones**"), counsel for FTI Consulting Canada Inc. in its capacity as Court-appointed monitor (the "**Monitor**") in these proceedings and as such have knowledge of the matters hereinafter deposed. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. I make this affidavit in support of a motion by the Applicants for, among other things, approval of the fees and disbursements of the Monitor and its counsel.


3. Attached hereto as Exhibit "A" are true copies of the accounts rendered by Bennett Jones to the Monitor for the period between September 1, 2019 and January 31, 2020. The accounts have been redacted to address matters of confidentiality or privilege. I confirm that these accounts accurately reflect the services provided by Bennett Jones in this matter for this period and the fees and disbursements claimed by it for the period.

4. Attached hereto as Exhibit "B" is a schedule summarizing the accounts of Bennett Jones rendered to the Monitor for the fees and disbursements incurred by Bennett Jones in connection with these proceedings for the period between September 1, 2019 and January 31, 2020.


5. Attached hereto as Exhibit "C" is a schedule summarizing the respective years of call and billing rates of each of the professionals at Bennett Jones that rendered services to the Monitor, the hours worked by each such individual and a blended hourly rate for the file.

6. To the best of my knowledge, the rates charged by Bennett Jones throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services. I believe that the total hours, fees and disbursements incurred to date by Bennett Jones on this matter are reasonable and appropriate in the circumstances.

SWORN before me at the City of Toronto,)
in the Province of Ontario,)
this 13th day of February, 2020)
)
)



A Commissioner, etc.
Aiden Nelms



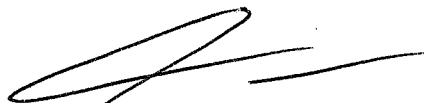
Sean H. Zweig

THIS IS EXHIBIT "A" REFERRED TO IN THE

AFFIDAVIT OF SEAN H. ZWEIG

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.

Aiden Nems



Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: September 17, 2019
Invoice: 1295901

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	88,614.50
Disbursements	\$	81.17
Other Charges	\$	626.50
Total Due before GST/HST	\$	<u>89,322.17</u>
GST/HST	\$	11,611.88
Total Due in CAD	\$	<u>100,934.05</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757



Date	Name	Description	Hours
01/09/19	Mike Shakra	Reviewing and responding to file related emails	0.20
02/09/19	Mike Shakra	Discussion with A. Nelms on status of Monitor's report and related materials	0.20
03/09/19	Aiden Nelms	Conference call with working group and FTI regarding [REDACTED]; Conference call with CBB and FTI regarding same, the Plan and a general update; Drafting and revising the Fifth Report of the Monitor	3.40
03/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing [REDACTED]; Participating in internal and external team update calls	1.50
03/09/19	Sean Zweig	Emails with J. Robinson regarding Meetings Order and considering same; Preparing for and attending call with FTI; Reviewing updated [REDACTED] Update call with Monitor and CBB; Reviewing amended agenda for US hearing; Reviewing revised draft of Plan and commenting on same	2.70
04/09/19	Aiden Nelms	Attending U.S. Hearing (telephonically); Reviewing and revising most recent turn of draft Plan; Corresponding with internal working group and FTI regarding same; Conference call with S. Zweig and J. Robinson regarding Plan amendments	5.10
04/09/19	Preet Bell	Meeting with S. Zweig to discuss [REDACTED]; [REDACTED]; Conducting research and analysis in respect of same, including review and analysis of [REDACTED]; [REDACTED] Phone call with [REDACTED]	3.40
04/09/19	Sean Zweig	Reviewing drafts of Plan, discussing same and revising same; Discussion with A. Nelms regarding Ch. 11 hearing; Call with S. Brotman; Many calls with J. Robinson; Emails with P. Bishop; Discussion with P. Bell regarding [REDACTED]; [REDACTED]; Discussing same with J. Dietrich; Call with T. Bauer regarding [REDACTED]; Various emails regarding proposed revisions to Plan; Reviewing materials filed in US proceeding	4.20
04/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised plan; Considering issues in	2.50



Date	Name	Description	Hours
		respect of [REDACTED]; Participating in multiple internal and external update calls	
04/09/19	Thomas Bauer	Review revised draft of CCAA plan, consider issues regarding same and correspondence with S. Zweig regarding same	2.00
05/09/19	Aiden Nelms	Reviewing and considering CBB's latest mark-up of the Plan; Drafting and reviewing the Monitor's Fifth Report; Reviewing and considering updated [REDACTED]; Conference call with CBB and FTI regarding same and general update	1.50
05/09/19	Mike Shakra	Reviewing and responding to file related emails; Participating in strategy update call; Reviewing [REDACTED]; Reviewing update to plan	1.60
05/09/19	Sean Zweig	Reviewing and commenting on revised draft of CCAA Plan; Emails with Monitor regarding same and drafting rider; Call with J. Dietrich regarding Plan issues; Reviewing updated [REDACTED]; Call with Monitor and CBB	1.80
06/09/19	Aiden Nelms	Reviewing and commenting on Meetings Order Affidavit; Conference call with CBB and FTI regarding Plan generally and next steps; Redacting FTI invoices for Fee Affidavits and the Monitor's Fifth Report; Conference call with Alix and Faskens	3.00
06/09/19	Kris Hanc	Reviewing disclosure statement and providing comments on same	0.50
06/09/19	Mike Shakra	Reviewing and responding to file related emails; Participating in [REDACTED]	1.80
06/09/19	Sean Zweig	Reviewing and commenting on draft Affidavit and Information Memorandum; Discussions with internal team and Monitor regarding same and other matters; Reviewing updated claims register; Update call with Monitor and CBB; Call with Term Lender advisors and Monitor; Reviewing supplement to disclosure statement in US; Follow-up emails with Term Lenders' advisors and Monitor; Call with T. Bauer; Reviewing revised [REDACTED], and emails regarding same	4.10
07/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing and revising meetings order and related memorandum; Reviewing [REDACTED]	2.80



Date	Name	Description	Hours
07/09/19	Sean Zweig	Reviewing cumulative mark-ups of Affidavit and Information Memorandum; Reviewing email to Term Loan Advisors; Reviewing and commenting on draft Extension Order and Sanction Order	1.30
08/09/19	Alden Nelms	Corresponding with S. Zweig and M. Shakra	0.30
08/09/19	Mike Shakra	Reviewing and responding to file related emails; Consolidating comments on stay extension and sanction order and reviewing same	2.40
08/09/19	Sean Zweig	Reviewing comments on Orders and considering same; Emails with Monitor regarding same	0.70
09/09/19	Alden Nelms	Conference call with Internal working group, Faskens and CBB regarding [REDACTED]; Drafting and revising Monitor's Fifth Report; Conference call with Internal working group, FTI and CBB regarding status update and September 17th appearance; Corresponding with M. Shakra regarding the Fifth Report of the Monitor	4.20
09/09/19	Mike Shakra	Reviewing and responding to file related emails; Participating in plan update call; Revising sanction order and stay extension order; Reviewing and revising Monitor's report; Reviewing secured claims summary	3.80
09/09/19	Thomas Bauer	Review [REDACTED] Telephone conference with Faskens, Cassels and BJ teams regarding [REDACTED]; Follow-up telephone conference with S. Zweig; Review draft Sanction Order	1.70
09/09/19	Sean Zweig	Call with Cassels and Fasken regarding [REDACTED]; Follow-up call with T. Bauer regarding same; Call with J. Robinson; Reviewing draft claims summary for UCC; Call with S. Brotman; Update call with Monitor and Cassels; Reviewing revised drafts of Orders; Call with R. Jacobs; Reviewing notices of adjournment filed in Ch. 11 hearing	2.90
10/09/19	Alden Nelms	Reviewing and responding to file related emails; Reviewing and revising the Applicants' motion materials including the Meetings Order, the Third Stay Extension Order and the Affidavit; Reviewing and revising the Fifth Report of the Monitor; Drafting and revising the Fee Affidavits; Redacting Invoices for Fee Affidavits	8.10



Date	Name	Description	Hours
10/09/19	Hennadiy Kutsenko	[REDACTED] Discussing issues with T. Bauer; Attending conference call with T. Bauer and S. Zweig; Discussing issues with T. Bauer; Drafting summary email to T. Bauer outlining the facts and issues	4.70
10/09/19	Thomas Bauer	Telephone call from J. Morand regarding [REDACTED] Review [REDACTED]; Meeting with H. Kutsenko regarding [REDACTED]; Consider issues regarding [REDACTED]; Meeting with H. Kutsenko regarding results of [REDACTED]; Telephone conference with S. Zweig regarding CCAA proceeding and considerations regarding [REDACTED]	3.70
10/09/19	Preet Bell	Discussing potential [REDACTED] Reviewing materials in respect of same	1.10
10/09/19	Sean Zweig	Reviewing and commenting on revised drafts of Meetings Order, Third Stay Extension Order and Affidavit; Call with T. Bauer; Call with N. Levine; Reviewing further revised drafts of Affidavit and Meetings Order; Reviewing Fasken's comments on Affidavit; Further call with T. Bauer; Reviewing draft riders for Report; Reviewing final motion served; Reviewing and commenting on draft Fifth Report	4.70
10/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing draft motion materials	1.80
11/09/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and revising draft of Fifth Report of the Monitor; Turning revised versions of same; Redacting FTI and BJ time entry narratives; Drafting and revising Fee Affidavits and exhibits thereto; Call with J. Robinson regarding same; Meeting with H. Zerr regarding same	8.80
11/09/19	Hennadiy Kutsenko	Researching issue; Drafting summary email to T. Bauer outlining the facts and issues	2.70
11/09/19	Haley Zerr	Redacting invoices for A. Nelms	1.70
11/09/19	Sean Zweig	Reviewing revised draft Report, and dealing with same throughout day; Reviewing draft fee affidavit	1.70



Date	Name	Description	Hours
11/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing draft fee affidavits and report	1.30
12/09/19	Alden Nelms	Reviewing and responding to file related emails; Reviewing, revising and finalizing the Monitor's Fifth Report; Reviewing and finalizing Fee Affidavits; Meeting with P. Bishop to have Fee Affidavit sworn and commissioned; Corresponding with N. Arrigo regarding [REDACTED]	4.10
12/09/19	Buck Payne	Filing Report with Commercial List	1.00
12/09/19	Hennadiy Kutsenko	Researching [REDACTED] Discussing [REDACTED] with T. Bauer and N. Arrigo	1.20
12/09/19	Preet Bell	Conducting research and analysis [REDACTED] [REDACTED]; Discussing same with S. Zweig	2.10
12/09/19	Thomas Bauer	Consider issues regarding [REDACTED] [REDACTED] Meeting with H. Kutsenko and N. Arrigo regarding various research questions; Follow-up discussion with N. Arrigo; Discussion with S. Zweig	0.90
12/09/19	Nicholas Arrigo	Researching [REDACTED]	3.60
12/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing and commenting on 5th report; Participating in update call	1.50
12/09/19	Sean Zweig	Reviewing and considering comments from CBB on Report; Emails regarding status of [REDACTED] [REDACTED]; Emails with P. Bishop regarding draft Report; Call with FTI regarding Report comments; Revising same; Reviewing revised riders, and comments on same; Call with N. Levine regarding CCAA Plan; Update call with Cassels and FTI; Consider [REDACTED]	2.10
13/09/19	Alden Nelms	Reviewing and responding to file related emails; Conference call with working group, FTI and CBB regarding Plan and general update; Reviewing and commenting on revised drafts of the Meetings Order and the CCAA Plan	4.10
13/09/19	Nicholas Arrigo	Researching [REDACTED]	1.30



Date	Name	Description	Hours
		[REDACTED]; Discussion with T. Bauer	
13/09/19	Thomas Bauer	Correspondence with N. Arrigo regarding [REDACTED] [REDACTED]; Discussion with S. Zweig	0.50
13/09/19	Mike Shakra	Reviewing and responding to file related emails	0.80
13/09/19	Sean Zweig	Reviewing proposed [REDACTED] [REDACTED] Update call with Monitor and CBB; Follow-up call with Monitor; Call with landlord counsel and J. Dietrich; Call with J. Dietrich; Considering [REDACTED]; Reviewing scenario analysis and emails regarding same; Reviewing and commenting on revised drafts of Plan and Meetings Order; Emails regarding post-filing amounts under lease issue	3.40
14/09/19	Aiden Nelms	Reviewing and responding to file related emails; Conference call with FTI regarding reserves and current draft of the CCAA Plan; Reviewing and commenting on drafts of the Sanction Order and Factum	1.50
14/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing factum and sanction order and commenting on same; Reviewing revised claims summary	3.40
14/09/19	Sean Zweig	Working throughout day on Plan, Meetings Order, Sanction Order and Factum, and dealing with related issues; Call with FTI regarding [REDACTED]; [REDACTED]; Emails regarding same; Call with N. Levine; Emails with R. Jacobs	5.10
15/09/19	Aiden Nelms	Conference call with FTI and CBB regarding upcoming call with the Term Lenders counsel in respect of the Plan; Conference call with FTI, CBB and Faskens regarding the CCAA Plan; Reviewing and revising the Supplemental Report; Reviewing and responding to file related emails	1.50
15/09/19	Mike Shakra	Reviewing and responding to file related emails; Drafting and revising supplemental report; Reviewing revised memorandum; Reviewing supplemental affidavit; Reviewing revised plan documents	5.80
15/09/19	Sean Zweig	Call with Monitor and CBB regarding open issues	4.40



Date	Name	Description	Hours
		on documents; Call with Faskens, Monitor and CBB regarding same; Reviewing and commenting on revised versions of Plan, Meetings Order, Sanction Order, Factum, Supplemental Affidavit and Memorandum; Emails with T. Bauer regarding [REDACTED]; Emails with Monitor and CBB regarding latest status in US and next steps	

Total Hours 148.20
Total Professional Services \$ 88,614.50

Name	Hours
Kris Hanc	
Preet Bell	0.50
Thomas Bauer	6.60
Sean Zweig	8.80
Nicholas Arrigo	39.10
Aiden Nelms	4.90
Mike Shakra	45.60
Hennadiy Kutsenko	31.40
Haley Zerr	8.60
Buck Payne	1.70
	1.00

Disbursements	Amount
Courier	\$ 81.17
Total Disbursements	\$ <u>81.17</u>

Other Charges	Amount
Photocopy Charges	\$ 5.50
Printing	\$ 613.50
Colour Printing	\$ 7.50
Total Other Charges	\$ <u>626.50</u>
GST/HST	\$ 11,611.88
TOTAL DUE	\$ <u>100,934.05</u>



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: September 17, 2019
Invoice: 1295901

Remittance Statement

Professional Services	\$	88,614.50
Disbursements	\$	81.17
Other Charges	\$	626.50
Total Due before GST/HST	\$	<u>89,322.17</u>
GST/HST	\$	11,611.88
Total Due in CAD	\$	<u>100,934.05</u>

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.

Email notification may be sent to: bennettjonesoft@bennettjones.com

Remit by Credit Card (Visa or MasterCard):

Call an Accounts Receivable Specialist at

(403) 298-3137 or (403) 298-3164 with your credit card number, expiry date, and email address.



Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: October 2, 2019
Invoice: 1297516

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	63,091.50
Disbursements	\$	91.17
Other Charges	\$	747.50
Total Due before GST/HST	\$	<u>63,930.17</u>
GST/HST	\$	8,310.92
Total Due in CAD	\$	<u>72,241.09</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757



Date	Name	Description	Hours
04/09/19	Jay Winters	Telephone conversation with T. Bauer regarding [REDACTED]	0.40
05/09/19	Jay Winters	Reviewing [REDACTED]	0.50
06/09/19	Jay Winters	Reviewing [REDACTED]	2.80
16/09/19	Alden Nelms	Reviewing and responding to file related emails; Revising most recent draft of the Supplement to the Monitor's Fifth Report	4.20
16/09/19	Hennadiy Kutsenko	Researching [REDACTED]; Discussing with T. Bauer	5.50
16/09/19	Nicholas Arrigo	Researching regarding [REDACTED]; Reviewing [REDACTED]	2.80
16/09/19	Sean Zweig	Reviewing and commenting on revised Report; Emails with P. Bishop regarding Sanction Order issues; Discussing issue related to draft Report and considering same; Call with T. Bauer; Reviewing correspondence to Service List; Reviewing and commenting on further revised Report; Reviewing T. Vanderlaan's comments and dealing with same; Call with N. Levine; Call with J. Dietrich; Reviewing materials filed in US proceeding; Correspondence throughout day with Monitor and CBB; Reviewing J. Robinson's comments on draft Report and dealing with same; Reviewing revised US Plan and Disclosure Statement	4.70
16/09/19	Thomas Bauer	Consider issues regarding [REDACTED]; Telephone conference with J. Morand regarding same; Meeting with H. Kutsenko regarding research matter	1.10
16/09/19	Mike Shakra	Reviewing and responding to file related emails; Revising Monitor's report and discussing same with internal team	1.70
17/09/19	Alden Nelms	Preparing for and attending court in respect of the Third Stay Extension Order; Reviewing and responding to file related emails; Drafting and revising the Supplement to the Fifth Report of the Monitor; Drafting correspondence to the service list regarding same; Preparing and revising the Monitor's deliverables with respect to the Monitor's Order	6.40



Date	Name	Description	Hours
17/09/19	Hennady Kutsenko	Discussing [REDACTED] with T. Bauer	0.20
17/09/19	Nicholas Arrigo	Reviewing plan, sanction order and [REDACTED]; Researching regarding [REDACTED]	3.20
17/09/19	Preet Bell	Meeting with S. Zweig to discuss [REDACTED] [REDACTED]; Reviewing and analyzing [REDACTED] in respect of same	0.80
17/09/19	Sean Zweig	Reviewing [REDACTED] [REDACTED] Discussing same with P. Bell; Preparing for and attending at hearing; Reviewing revised drafts of Canadian documents; Emails with Monitor regarding draft Report; Reviewing CBB comments on Report, and dealing with revisions to same and finalizing same; Discussions with Monitor regarding same; Reviewing materials served by Applicants; Discussion with CBB regarding [REDACTED] and updating Monitor; Reviewing agenda in US proceeding; Various emails with T. Bauer regarding [REDACTED] [REDACTED]	5.00
17/09/19	Thomas Bauer	Discussion with H. Kutsenko regarding [REDACTED] [REDACTED]; Review Payless affidavit, CCAA Plan, form of Sanction Order and Payless information memorandum, consider issues regarding same and correspondence with S. Zweig regarding same	2.40
17/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised report; Reviewing revised plan documents; Reviewing endorsement	1.40
18/09/19	Alden Nelms	Reviewing and responding to file related emails; Phone call with Landlord counsel regarding Notices of Dispute of Claim Statement; Meeting with T. Bauer and N. Arrigo regarding [REDACTED]; [REDACTED]; Attending the U.S. Hearing (telephonically); Conferring with S. Zweig regarding same; Drafting and revising monitor's deliverables following the Meetings Order	3.50
18/09/19	Thomas Hughes	Filing documents at the Commercial List office	0.50
18/09/19	Preet Bell	Conducting comprehensive [REDACTED] [REDACTED]	4.20



Date	Name	Description	Hours
		<p>[REDACTED]</p> <p>Considering issues arising out of same and reviewing relevant materials; Discussing same with S. Zweig and drafting summary analysis and correspondence to S. Zweig</p>	
18/09/19	Nicholas Arrigo	Meeting with T. Bauer, S. Zweig and A. Nelms; Research regarding [REDACTED]; Discussions with T. Bauer; Internal email regarding same	5.40
18/09/19	Sean Zweig	Meeting with internal team regarding [REDACTED]; Call with D. Bish; Discussing same with each of Monitor and CBB; Discussion with P. Bell regarding [REDACTED]; Attending US hearing (telephonically); Reviewing summary of Monitor's obligations under Meetings Order; Various emails and calls with Monitor and CBB regarding meetings package, and changes to Meetings Order; Reviewing revised Order; Reviewing Order granted in Ch. 11 proceeding; Reviewing email from N. Arrigo regarding [REDACTED]	2.80
18/09/19	Thomas Bauer	Consider issues regarding [REDACTED]; Meeting with S. Zweig, A. Nelms and N. Arrigo regarding Plan and draft Sanction Order; Meeting with N. Arrigo [REDACTED]	1.50
18/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised meetings order; Reviewing deliverables chart; Reviewing revised plan documents	1.20
19/09/19	Alden Nelms	Reviewing and responding to file related emails; Preparing for and attending court for Meetings Order; Call with M. Basso regarding the Information Package; Call with T. Ashmeade regarding finalized Information Memorandum and service of the Issued Meetings Order	2.80
19/09/19	Nicholas Arrigo	Reviewing sanction order and related tax research	3.50
19/09/19	Sean Zweig	Preparing for and attending hearing; Various discussions regarding next steps and open issues	1.70
19/09/19	Mike Shakra	Reviewing and responding to file related emails	0.30



Date	Name	Description	Hours
20/09/19	Alden Nelms	Reading and responding to file related emails; Reading and considering Claims Update from FTI; Call with T. Ashmeade regarding the Canadian Memorandum; Reviewing and considering updated disclosure statement; Coordinating the service of the Information Package	2.90
20/09/19	Sean Zweig	Preparing for and attending call with Monitor regarding TUV analysis; Reviewing updated claims register; Emails regarding late-filed claims, considering same and discussing same; Multiple discussions with M. Shakra and A. Nelms; Reviewing further US Disclosure Statement, and emails regarding same; Considering issues in connection with Supplement and next steps	2.20
20/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing amended disclosure statement and US plan; Reviewing updated claims register; Considering [REDACTED]; Participating in TUV analysis call	1.30
22/09/19	Nicholas Arrigo	Translating notices to creditors	4.30
23/09/19	Alden Nelms	Reviewing, considering and responding to file related emails; Reviewing and revising the French translation of the Notice of Creditors Meetings and Sanction Motion	1.10
23/09/19	Nicholas Arrigo	Finalizing translation of notice to creditors	1.20
23/09/19	Sean Zweig	Emails regarding status and next steps; Emails with FTI regarding [REDACTED]; Various correspondence in connection with claims process matters and plan supplement	1.00
23/09/19	Mike Shakra	Reviewing and responding to file related emails	0.40
24/09/19	Alden Nelms	Reviewing and responding to filed related emails; Reviewing and considering [REDACTED]; Call with M. Basso regarding French Notice of Creditors' Meetings and Sanction Hearing; Reviewing Cassels comments in respect of same; Reviewing and revising final version for publishing	1.20
24/09/19	Nicholas Arrigo	Additional translations of notices to creditors; Reviewing Cassels Brock memorandum regarding [REDACTED]	3.70



Date	Name	Description	Hours
24/09/19	Thomas Bauer	Review memorandum from Cassels regarding [REDACTED] and correspondence with S. Zweig regarding same	0.30
24/09/19	Sean Zweig	Reviewing CBB comments on French notice, and dealing with same; Reviewing correspondence regarding Moneris and discussing same; Reviewing [REDACTED], considering same, and discussing same; Discussion and emails regarding [REDACTED]	1.20
24/09/19	Mike Shakra	Reviewing and responding to file related emails; Considering [REDACTED]; Considering [REDACTED]; Considering settlement of [REDACTED]	1.60
25/09/19	Aiden Nelms	Reviewing and considering [REDACTED]; Reviewing and considering [REDACTED];	0.70
25/09/19	Nicholas Arrigo	Reviewing CBB memorandum regarding [REDACTED]; Call with CBB regarding same; Related research; Reviewing CCAA plan; Internal calls and discussions	4.20
25/09/19	Sean Zweig	Reviewing [REDACTED], considering same and discussing same; Call with each of R. Jacobs and T. Bauer regarding [REDACTED]; Reviewing documents filed in US proceeding; Emails with FTI regarding [REDACTED], and considering same	1.60
25/09/19	Mike Shakra	Reviewing and responding to file related emails	0.40
25/09/19	Thomas Bauer	Telephone conference with J. Morand (Cassels) and C. Steeves (Faskens) regarding [REDACTED]; Follow-up meeting with N. Arrigo and discussion with S. Zweig regarding same; Consider issues regarding Plan Supplement	1.70
26/09/19	Aiden Nelms	Preparing for and participating in weekly update call with FTI and CBB	0.50
26/09/19	Nicholas Arrigo	Reviewing plan; Related [REDACTED]	1.10
26/09/19	Sean Zweig	Correspondence with S. Brotman; Preparing for and attending call with Monitor and CBB; Reviewing correspondence regarding [REDACTED]	0.80



Date	Name	Description	Hours
26/09/19	Mike Shakra	Reviewing and responding to file related emails	0.30
27/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing [REDACTED]; Considering issues in [REDACTED]	1.00
27/09/19	Sean Zweig	Emails with T. Vanderlaan regarding reserves and wind-down; Emails with T. Bauer; Emails in connection with [REDACTED]; Emails in connection with [REDACTED]; Call with N. Levine	0.70
28/09/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing US motion and commenting on same	0.50
28/09/19	Sean Zweig	Reviewing draft motion to dismiss; Reviewing M. Shakra's comments on same	0.50
29/09/19	Mike Shakra	Reviewing and responding to file related emails	0.20
30/09/19	Preet Bell	Reviewing correspondence and materials in respect of [REDACTED]	0.30
30/09/19	Sean Zweig	Reviewing email from M. Basso regarding [REDACTED] review and considering same, including review of prior US Plan and related Declaration	0.90

Total Hours 108.30
Total Professional Services \$ 63,091.50

Name	Hours
Preet Bell	5.30
Thomas Bauer	7.00
Sean Zweig	23.10
Jay Winters	3.70
Nicholas Arrigo	29.40
Aiden Nelms	23.30
Mike Shakra	10.30
Hennadiy Kutsenko	5.70
Thomas Hughes	0.50

Disbursements	Amount
Courier	\$ 91.17
Total Disbursements	\$ <u>91.17</u>

Other Charges	Amount
Library Computer Search - WestlawNext Canada	\$ 108.75



Other Charges		Amount
Photocopy Charges	\$	72.25
Printing	\$	566.50
Total Other Charges	\$	<u>747.50</u>
GST/HST	\$	8,310.92
TOTAL DUE	\$	<u><u>72,241.09</u></u>



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

Attention: **Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: October 2, 2019
Invoice: 1297516

Remittance Statement

Professional Services	\$	63,091.50
Disbursements	\$	91.17
Other Charges	\$	747.50
Total Due before GST/HST	\$	63,930.17
GST/HST	\$	8,310.92
Total Due in CAD	\$	72,241.09

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Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

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Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: October 18, 2019
Invoice: 1300946

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	53,152.00
Disbursements	\$	492.60
Other Charges	\$	71.50
Total Due before GST/HST	\$	<u>53,716.10</u>
GST/HST	\$	6,983.09
Total Due in CAD	\$	<u>60,699.19</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757



Date	Name	Description	Hours
01/10/19	Preet Bell	Reviewing and analyzing Chapter 11 materials, including affidavits, from [REDACTED] [REDACTED] Considering and analyzing [REDACTED]; Reviewing relevant [REDACTED]; Correspondence with S. Zweig regarding same	2.30
01/10/19	Mike Shakra	Reviewing and responding to file related emails; Addressing [REDACTED]; Considering [REDACTED]	1.20
01/10/19	Sean Zweig	Emails with P. Bell regarding [REDACTED] and considering same	0.30
02/10/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering [REDACTED]; Drafting and revising supplemental report	2.40
02/10/19	Mike Shakra	Reviewing and responding to file related emails; Considering [REDACTED]; Reviewing [REDACTED]; Reviewing reserve summary	1.50
02/10/19	Sean Zweig	Call with S. Brotman regarding Plan and [REDACTED]; Call with N. Levine; Reviewing revised Moneris letter; Emails with Monitor regarding [REDACTED] Various emails with T. Vanderlaan regarding reserves, WEPPA and other matters	1.10
03/10/19	Aiden Nelms	Preparing for and participating in conference call regarding Reserves; Reading and responding to file related emails; Drafting and revising Monitor's Sixth Report; Researching [REDACTED]; Phone call with S. Zweig regarding same	2.50
03/10/19	Mike Shakra	Reviewing and responding to file related emails; Participating in reserve update call; Considering [REDACTED]; Reviewing revised professional fee reserve summary	1.50
03/10/19	Sean Zweig	Call with Monitor and CBB; Call and emails with T. Vanderlaan regarding Plan approval issue; Emails regarding same and considering same; Various emails and discussions regarding reserves and [REDACTED]; Call with S. Brotman; Reviewing email from Fasken regarding structure for distributions; Emails with T. Bauer regarding [REDACTED]; Further call with Monitor and CBB regarding reserves	2.40



Date	Name	Description	Hours
04/10/19	Aiden Nelms	Reading and responding to file related emails; Drafting and revising the Sixth Report of the Monitor	3.50
05/10/19	Mike Shakra	Reviewing and responding to file related emails	0.30
06/10/19	Aiden Nelms	Drafting and revising the Sixth Report of the Monitor; Corresponding with M. Shakra regarding same	0.60
06/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing and amending draft report	0.60
06/10/19	Sean Zweig	Reviewing correspondence in connection with reserves and related matters	0.30
07/10/19	Aiden Nelms	Reading and responding to file related emails; Reviewing and revising Monitor's Report; Consolidating M. Shakra's comments in respect of same	1.60
07/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised plan and receivership order; Considering additional issues in respect of report; Reviewing US plan supplement; Reviewing reserve summary	2.40
07/10/19	Sean Zweig	Call with CBB and Monitor; Reviewing updated reserve summary; Call with J. Dietrich, and [REDACTED]; Emails regarding creditors meetings; Reviewing and commenting on draft Report; Reviewing and commenting on draft Amended Plan and Receivership Order	3.00
08/10/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and revising Receivership Order and Amended Plan; Drafting and revising 6th Report of the Monitor	2.90
08/10/19	Nicholas Arrigo	Reviewing Plan and Plan Supplement; Related [REDACTED]; Discussion with T. Bauer	3.70
08/10/19	Thomas Bauer	Review Plan Supplement and consider issues regarding same; Discussion with N. Arrigo	0.60
08/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing 6th report; Reviewing plan supplement; Revising receivership order and plan and circulating comments in respect of same; Reviewing revised [REDACTED]	2.80



Date	Name	Description	Hours
08/10/19	Sean Zweig	Reviewing and commenting on draft Plan Supplement, and multiple discussions in connection with same; Working on Receivership Order and Amended Plan, and discussing same; Emails regarding [REDACTED]; Reviewing and commenting on revised Sixth Report; Reviewing revised Plan Supplement and dealing with same; Various emails in connection with [REDACTED]; Call with T. Bauer	2.60
09/10/19	Aiden Nelms	Reviewing and responding to file related emails	0.30
09/10/19	Nicholas Arrigo	Reviewing [REDACTED] Reviewing plan supplement; Discussions with T. Bauer; Call with J. Morand regarding [REDACTED]; Related research; Reviewing US Plan	6.50
09/10/19	Thomas Bauer	Consider issues regarding Plan steps and meeting with N. Arrigo regarding same; Telephone conference with J. Morand regarding Plan Supplement; Discussion with N. Arrigo and telephone conference with M. Shakra regarding Plan Supplement; Review US Plan of Reorganization and consider [REDACTED]	2.20
09/10/19	Mike Shakra	Reviewing and responding to file related emails; Discussing [REDACTED]	0.70
09/10/19	Sean Zweig	Call with M. Shakra; Reviewing comments on Plan and Receivership Order	0.40
10/10/19	Aiden Nelms	Reading and responding to file related emails; Preparing for and participating in weekly status call; Reading and reviewing Sanction Order	1.20
10/10/19	Nicholas Arrigo	Internal emails regarding [REDACTED] Related research; Call with T. Bauer; Reviewing [REDACTED]	3.90
10/10/19	Mike Shakra	Reviewing and responding to file related emails; Considering [REDACTED]; Reviewing revised sanction order and plan supplement; Considering [REDACTED] Considering [REDACTED] Revising amended plan; Participating in update call	3.80
10/10/19	Sean Zweig	Various emails regarding [REDACTED]; Reviewing	1.10



Date	Name	Description	Hours
		Fasken's comments on Plan Supplement; Emails with T. Vanderlaan regarding [REDACTED]; Reviewing and commenting on draft Sanction Order; Emails and call with M. Crane regarding US ballot received by landlord	
11/10/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and revising Sanction Order; Preparing for and participating in call regarding changes to the Sanction Order; Call with M. Shakra regarding same	2.10
11/10/19	Nicholas Arrigo	Call with [REDACTED] Discussion with T. Bauer; Reviewing [REDACTED]; Related research	1.70
11/10/19	Thomas Bauer	Review email correspondence from Cassels and Fasken; Review revised draft of Sanction Order, consider [REDACTED] and correspondence with S. Zweig regarding same; Telephone conference with J. Morand	1.40
11/10/19	Mike Shakra	Reviewing and responding to file related emails; Participating in multiple update calls with Cassels and FTI; Discussing [REDACTED]; Participating in call with secured lenders; Considering [REDACTED]; Considering receivership of [REDACTED]; Considering [REDACTED]	4.00
11/10/19	Sean Zweig	Reviewing T. Bauer's comments on Sanction Order; Reviewing draft consent from Term Lenders; Reviewing comments from Fasken on various documents; Reviewing draft comments on Sanction Order; Reviewing revised drafts of Plan, Receivership Order and Plan Supplement; Correspondence with internal team; Various emails regarding [REDACTED]; Emails regarding US ballot issues; Reviewing US first amended Plan Supplement; Reviewing J. Robinson's comments on various documents	2.20
12/10/19	Aiden Nelms	Reading and responding to file related emails; Working on revised CCAA Plan and receivership order	0.60
12/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised plan and receivership order; Considering [REDACTED]; Participating in update call	2.20



Date	Name	Description	Hours
12/10/19	Sean Zweig	Reviewing and discussing revised documents; Emails regarding proposed amendment to CPO in Sanction Order	0.80
13/10/19	Mike Shakra	Reviewing and responding to file related emails	0.40
13/10/19	Sean Zweig	Reviewing further revised Plan Supplement	0.20
14/10/19	Mike Shakra	Reviewing and responding to file related emails; Drafting letter to [REDACTED]; Reviewing revised plan supplement; Reviewing revised receivership order and plan	3.80
14/10/19	Sean Zweig	Emails with J. Robinson regarding comments on documents; Preparing comments for CBB, and discussing same; Call with CBB regarding [REDACTED]; Reviewing draft letter regarding US [REDACTED]; Reviewing further revised Receivership Order and Plan Supplement	1.60
15/10/19	Aiden Nelms	Reviewing and responding to file related emails; Drafting and finalizing letter to [REDACTED]; Drafting and revising the Monitor's Sixth Report	4.10
15/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised report; Reviewing revised letter to [REDACTED]; Considering [REDACTED]	1.40
15/10/19	Sean Zweig	Reviewing and commenting on draft letter to [REDACTED]; Call with J. Robinson regarding various matters; Reviewing J. Robinson's comments on letter and reviewing revised draft; Two calls with N. Levine; Reviewing votes received; Call with M. Basso regarding [REDACTED]; Emails in connection with same; Reviewing revised Sanction Order and draft Affidavit; Reviewing and commenting on revised Sixth Report; Dealing with excluded [REDACTED] and revisions to Plan; Call with M. Shakra; Reviewing further revised Report; Emails with FTI team; Reviewing proposed final revisions to Plan documents and discussing with Monitor	4.10

Total Hours 90.80
Total Professional Services \$ 53,152.00

Name	Hours
Preet Bell	2.30



October 18, 2019
Page 7

Client:
Invoice No.:

076142.00007
1300946

Name	Hours
Thomas Bauer	4.20
Sean Zweig	20.10
Nicholas Arrigo	15.80
Aiden Nelms	21.80
Mike Shakra	26.60

Disbursements	Amount
Courier	\$ 458.06
SoundPath Legal Conferencing	\$ 34.54
Total Disbursements	\$ 492.60

Other Charges	Amount
Printing	\$ 71.50
Total Other Charges	\$ 71.50
GST/HST	\$ 6,983.09
TOTAL DUE	\$ 60,699.19



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

Attention: **Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: October 18, 2019
Invoice: 1300946

Remittance Statement

Professional Services	\$	53,152.00
Disbursements	\$	492.60
Other Charges	\$	71.50
Total Due before GST/HST	\$	<u>53,716.10</u>
GST/HST	\$	6,983.09
Total Due in CAD	\$	<u>60,699.19</u>

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Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

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Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: November 4, 2019
Invoice: 1302898

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	48,905.50
Disbursements	\$	177.65
Other Charges	\$	1,509.25
Total Due before GST/HST	\$	<u>50,592.40</u>
GST/HST	\$	6,577.01
Total Due in CAD	\$	<u>57,169.41</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757



Date	Name	Description	Hours
16/10/19	Aiden Nelms	Reviewing and responding to file related emails; Phone call with T. Ashmeade regarding Service List; Updating and circulating Service List; Drafting and revising the Sixth Report of the Monitor; Finalizing and serving the Sixth Report of the Monitor; Reading and considering the Payless Canada Entities' materials	6.30
16/10/19	Mike Shakra	Reviewing and responding to file related emails; Finalizing letter to [REDACTED]; Reviewing revised report and final motion materials	2.00
16/10/19	Sean Zweig	Reviewing Monitor's comments on 6th Report, and emails and calls regarding same; Emails with CBB regarding [REDACTED]; Reviewing and commenting on revised drafts of Sixth Report; Reviewing final Affidavit from CBB served; Reviewing CBB comments on 6th Report, and call with CBB regarding same; Discussions regarding same and finalizing same; Various emails with Monitor throughout day	2.70
17/10/19	Aiden Nelms	Reviewing and responding to file related emails; Preparing for and participating in weekly update call; Drafting and revising the Seventh Report of the Monitor	2.40
17/10/19	Thomas Hughes	Filing report with the commercial list office	1.50
17/10/19	Sean Zweig	Emails and call regarding Cadillac proxy; Call with FTI and CBB; Reviewing materials filed in US proceeding	0.70
17/10/19	Mike Shakra	Reviewing and responding to file related emails	0.60
18/10/19	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising the Seventh Report of the Monitor	5.10
18/10/19	Sean Zweig	Reviewing proxy update, and emails regarding same; Reviewing draft letter to [REDACTED]; Reviewing and commenting on draft Affidavit; Call with J. Robinson; Reviewing and commenting on script for Meetings	1.40
18/10/19	Mike Shakra	Reviewing and responding to file related emails	0.50
19/10/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and commenting on sanction affidavit; Compiling comments on same and revising	1.60

Date	Name	Description	Hours
19/10/19	Sean Zweig	Various emails with J. Robinson; Reviewing updated comments on Sanction Affidavit and emails regarding same; Reviewing J. Robinson's comments on script	0.70
19/10/19	Mike Shakra	Reviewing and responding to file related emails; Revising affidavit	0.70
20/10/19	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising the Monitor's Seventh Report	4.20
20/10/19	Sean Zweig	Reviewing and commenting on draft 7th Report; Reviewing revised draft	1.50
20/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised report	0.70
21/10/19	Alden Nelms	Reviewing and responding to file related emails; Drafting and revising the Seventh Report of the Monitor; Reviewing and commenting on the Sanction Motion Affidavit	1.50
21/10/19	Mike Shakra	Reviewing revised voting ballot; Reviewing and responding to file related emails	0.40
21/10/19	Sean Zweig	Reviewing Monitor's comments on Sanction Affidavit and discussing same with A. Nelms; Reviewing results of vote in US; Discussion with N. Levine regarding same; Reviewing [REDACTED], and emails regarding same; Reviewing script for landlord meeting; Reviewing and commenting on draft D&O Notices of Disallowance; Reviewing Monitor's comments on Seventh Report, and discussing same with A. Nelms; Reviewing draft voting ballot; Reviewing proxy update; Reviewing revised draft of Seventh Report	1.70
22/10/19	Alden Nelms	Reviewing and responding to file related emails; Drafting and revising the Monitor's Seventh Report; Drafting and revising Notice of Motion for Receivership Order	5.20
22/10/19	Mike Shakra	Reviewing and responding to file related emails; Reviewing revised report	0.40
22/10/19	Sean Zweig	Calls with J. Robinson; Reviewing revised Plan filed in US; Emails regarding [REDACTED] claim; Reviewing and commenting on revised D&O Notices of Disallowance; Reviewing CBB comments	3.00



Date	Name	Description	Hours
		on Seventh Report, and discussing same with A. Nelms; Call with N. Levine; Reviewing and commenting on revised Seventh Report; Emails with Monitor regarding same and proposed revisions; Reviewing and commenting on draft Notice of Motion for receivership order; Reviewing US materials filed in support of Confirmation	
23/10/19	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering certain materials filed in the U.S. Proceedings; Preparing for and attending Creditors Meetings; Preparing for and attending U.S. hearing (telephonically); Drafting and revising the Monitor's Seventh Report; Drafting and revising the Receivership Notice of Motion; Drafting and revising the Motion Record in respect of same; Finalizing the Monitor's Seventh Report and Receivership Motion Record	7.50
23/10/19	Nicholas Arrigo	Reviewing US plan supplements; Internal emails regarding same	0.80
23/10/19	Thomas Bauer	Email from S. Zweig regarding update; Email to J. Morand regarding same; Review US Plan Supplement	0.40
23/10/19	Mike Shakra	Reviewing motion record in respect of meetings; Reviewing final report	1.50
23/10/19	Sean Zweig	Reviewing further revised US Plan; Preparing for and attending Creditors' Meetings; Various correspondence with Monitor and CBB; Discussion regarding US Confirmation Hearing; Various discussions and emails regarding revised Seventh Report and finalizing same; Reviewing Monitor's comments on Notice of Motion; Reviewing draft Notice of Motion for Plan Sanction; Reviewing revised Affidavit; Emails regarding [REDACTED] and related discussions	4.30
24/10/19	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising Minutes with respect to the Creditors' Meetings; Revising and commenting on the Payless Canada Entities' factum for the upcoming Sanction Motion	3.50
24/10/19	Buck Payne	Filing documents at the Commercial List	1.10
24/10/19	Preet Bell	Reviewing and providing proposed revisions on factum for sanction order hearing, and considering	2.30



Date	Name	Description	Hours
		[REDACTED]; Correspondence with S. Zweig regarding same	
24/10/19	Sean Zweig	Reviewing email from J. Dietrich regarding [REDACTED]; Reviewing and commenting on draft factum	0.70
25/10/19	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising Minutes with respect to the Creditors' Meetings	1.20
25/10/19	Mike Shakra	Reviewing factum	0.20
25/10/19	Sean Zweig	Discussions regarding draft factum and reviewing relevant [REDACTED]; Reviewing and commenting on Minutes from Creditors' Meetings	0.80
26/10/19	Nicholas Arrigo	Reviewing correspondence from T. Bauer regarding comfort letter	0.20
27/10/19	Sean Zweig	Considering issues in connection with upcoming hearing and [REDACTED]	1.00
28/10/19	Aiden Nelms	Reviewing and responding to file related emails; Finalizing Receivership Order; Preparing for October 29 appearance; Drafting and revising Minutes from Landlord and General Unsecured Creditors Meetings	3.00
28/10/19	Nicholas Arrigo	Reviewing draft clearance certificate	0.70
28/10/19	Sean Zweig	Reviewing and commenting on revised and new NODs; Many emails with Monitor regarding same; Reviewing draft [REDACTED]; Reviewing Orders granted in US Proceeding	1.20
29/10/19	Aiden Nelms	Reviewing and responding to file related emails; Preparing for and attending hearing for Sanction Order and Receivership Order; Phone call with T. Ashmeade regarding service of same and the Endorsements; Reviewing Issued Sanction Order	4.70
29/10/19	Nicholas Arrigo	Reviewing draft clearance certificate; Discussion with T. Bauer	0.80
29/10/19	Thomas Bauer	Review Amended and Restated CCAA Plan and Plan Supplement and consider issues regarding same; Review draft [REDACTED] and discussion with N. Arrigo regarding same; Prepare [REDACTED] and email to S. Zweig regarding same	1.80



Date	Name	Description	Hours
29/10/19	Sean Zweig	Further emails and discussions regarding NODs; Reviewing revised Sanction Order; Preparing for and attending Sanction Hearing; Call with N. Levine; Reviewing and commenting on draft Minutes from Creditors' Meetings; Discussions with A. Nelms regarding next steps; Reviewing revised drafts of Minutes; Reviewing T. Bauer's comments on comfort letter	2.90
30/10/19	Alden Nelms	Reviewing and responding to file related emails; Finalizing draft of Minutes for the Creditors' Meetings	0.60
30/10/19	Thomas Bauer	Review various email correspondence from S. Zweig, FTI and Cassels regarding [REDACTED] and [REDACTED] correspondence with S. Zweig regarding same; Telephone conference with S. Zweig and J. Robinson regarding mark-ups to [REDACTED] regarding same; Consider issues regarding Customs Act and correspondence with S. Zweig and Cassels regarding same	1.80
30/10/19	Sean Zweig	Reviewing J. Robinson's comments on [REDACTED], discussion with T. Bauer regarding same, and further discussion with J. Robinson and T. Bauer regarding same; Call with J. Dietrich regarding [REDACTED]; Many emails regarding Comfort Letter; Reviewing draft email to [REDACTED]; Reviewing further revised Minutes from Creditors' Meetings	1.60
31/10/19	Sean Zweig	Discussions with J. Dietrich and J. Robinson regarding [REDACTED] and related [REDACTED]	0.50
Total Hours			89.90
Total Professional Services			\$ 48,905.50

Name	Hours
Preet Bell	2.30
Thomas Bauer	4.00
Sean Zweig	24.70
Nicholas Arrigo	2.50
Alden Nelms	46.80
Mike Shakra	7.00
Buck Payne	1.10
Thomas Hughes	1.50



Disbursements		Amount
Courier	\$	177.65
Total Disbursements		\$ 177.65
Other Charges		Amount
Fax	\$	148.00
Photocopy Charges	\$	23.75
Colour Photocopy	\$	5.50
Printing	\$	1,307.00
Colour Printing	\$	25.00
Total Other Charges		\$ 1,509.25
GST/HST		\$ 6,577.01
TOTAL DUE		\$ 57,169.41



Bennett Jones

FTI CONSULTING CANADA INC.
 SUITE 2010
 79 WELLINGTON STREET WEST
 TORONTO, ON M5K 1G8

**Attention: Greg Watson and
 Paul Bishop**

Re: Payless ShoeSource
 Our File Number: 076142.00007

Date: November 4, 2019
 Invoice: 1302898

Remittance Statement

Professional Services	\$ 48,905.50
Disbursements	\$ 177.65
Other Charges	\$ 1,509.25
Total Due before GST/HST	\$ 50,592.40
GST/HST	\$ 6,577.01
Total Due in CAD	\$ 57,169.41

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
 ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.

Email notification may be sent to: bennettjoneseft@bennettjones.com

Remit by Credit Card (Visa or MasterCard):

Call an Accounts Receivable Specialist at

(403) 298-3137 or (403) 298-3164 with your credit card number, expiry date, and email address.



Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

Attention: **Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: November 20, 2019
Invoice: 1306235

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	4,956.00
Other Charges	\$	3.00
Total Due before GST/HST	\$	<u>4,959.00</u>
GST/HST	\$	644.67
Total Due in CAD	\$	<u>5,603.67</u>

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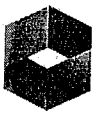
Date	Name	Description	Hours
01/11/19	Sean Zweig	Various emails and calls in connection with comfort letter; Emails in connection with Notices of Disallowance	0.50
02/11/19	Sean Zweig	Reviewing revised drafts of Notices of Disallowance; Emails with N. Levine regarding closing status	0.40
03/11/19	Sean Zweig	Reviewing J. Robinson's comments on Notices of Disallowance	0.10
05/11/19	Sean Zweig	Various emails and calls in connection with comfort letter and [REDACTED] Reviewing letter from T. Dunn, considering same, and discussing same with J. Robinson; Reviewing Ch. 11 materials	1.00
06/11/19	Sean Zweig	Call with T. Dunn and J. Robinson; Reviewing follow-up email	0.30
07/11/19	Sean Zweig	Various emails in connection with Plan implementation and related issues; Emails regarding [REDACTED]	0.50
08/11/19	Sean Zweig	Reviewing and commenting on draft Notices of Disallowance	0.30
10/11/19	Sean Zweig	Emails with N. Levine regarding status update	0.10
11/11/19	Sean Zweig	Reviewing and commenting on draft WEPP letter to employees; Emails with N. Levine	0.40
12/11/19	Sean Zweig	Call with J. Robinson regarding [REDACTED]; Reviewing and commenting on draft closing documents	0.60
13/11/19	Thomas Bauer	Review draft Closing Agenda and documents, consider [REDACTED] and correspondence with S. Zweig regarding same	0.40
13/11/19	Sean Zweig	Various emails regarding Plan implementation and distributions; Emails with T. Bauer regarding [REDACTED]; Reviewing revised closing documents	0.70
14/11/19	Alden Nelms	Reading and responding to file related emails; Drafting and finalizing Receivership Certificate; Meeting with S. Zweig regarding update	0.50
14/11/19	Alden Nelms	Reviewing and considering Canada Summary Flow	0.30



Date	Name	Description	Hours
		of Funds	
14/11/19	Sean Zweig	Calls with each of N. Levine and J. Robinson; Emails regarding duplicative claim statements sent to employees and proposed path forward; Reviewing revised consent from lenders	0.50
15/11/19	Sean Zweig	Emails regarding claims for post-filing rent and considering same	0.20
Total Hours			6.80
Total Professional Services			\$ 4,956.00

Name	Hours
Thomas Bauer	0.40
Sean Zweig	5.60
Aiden Nelms	0.80

Other Charges	Amount
Printing	\$ 3.00
Total Other Charges	\$ 3.00
GST/HST	\$ 644.67
TOTAL DUE	\$ 5,603.67



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: November 20, 2019
Invoice: 1306235

Remittance Statement

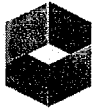
Professional Services	\$	4,956.00
Other Charges	\$	3.00
Total Due before GST/HST	\$	4,959.00
GST/HST	\$	644.67
Total Due in CAD	\$	5,603.67

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.
Email notification may be sent to: bennettjoneseft@bennettjones.com
Remit by Credit Card (Visa or MasterCard):
Call an Accounts Receivable Specialist at
(403) 298-3137 or (403) 298-3164 with your credit card number, expiry date, and email address.



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P.O. Box 130
Toronto, Ontario M5X 1A4

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 3, 2019
Invoice: 1308329

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	4,566.00
Disbursements	\$	480.76
Total Due before GST/HST	\$	5,046.76
GST/HST	\$	656.08
Total Due in CAD	\$	5,702.84

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Date	Name	Description	Hours
16/11/19	Sean Zweig	Reviewing proposed flow of funds and emails with J. Robinson regarding same	0.20
18/11/19	Sean Zweig	Two calls with N. Levine; Further emails regarding claim for [REDACTED]; Emails regarding [REDACTED] statements; Reviewing revised closing documents; Emails regarding [REDACTED] and related issues; Reviewing and commenting on proposed receivership certificate; Reviewing updated c [REDACTED]	1.30
18/11/19	Aiden Nelms	Reading and responding to file related emails; Finalizing Receivership Certificate	0.50
19/11/19	Aiden Nelms	Reading and responding to file related emails; Reading and revising Amended Employee Claim Statement and NOD	0.70
19/11/19	Sean Zweig	Reviewing letters to employees who received duplicate claims; Reviewing J. Robinson's comments on same; Emails regarding WEPPA timing; Emails regarding [REDACTED]	0.50
20/11/19	Sean Zweig	Emails regarding [REDACTED]	0.10
21/11/19	Sean Zweig	Reviewing correspondence in connection with duplicate [REDACTED]; Reviewing email regarding [REDACTED] employee claims	0.30
25/11/19	Sean Zweig	Reviewing and commenting on draft letter to Liberty Mutual; Calls with each of N. Levine and J. Robinson	0.30
25/11/19	Mike Shakra	Reviewing and responding to file related emails	0.30
26/11/19	Sean Zweig	Emails with J. Robinson; Reviewing correspondence regarding [REDACTED]	0.40
26/11/19	Mike Shakra	Drafting CBSA letter; Reviewing and responding to file related emails	1.50
27/11/19	Aiden Nelms	Reviewing and considering Cassels letter to [REDACTED]	0.30
27/11/19	Sean Zweig	Call with M. Shakra regarding [REDACTED]; Reviewing draft letter regarding [REDACTED]; Correspondence with Cassels and Monitor; Emails regarding [REDACTED]	0.50



Date	Name	Description	Hours
27/11/19	Mike Shakra	Reviewing and responding to file related emails	0.30
Total Hours			7.20
Total Professional Services			\$ 4,566.00

Name	Hours
Sean Zweig	3.60
Aiden Nelms	1.50
Mike Shakra	2.10

Disbursements	Amount
Courier	\$ 480.76
Total Disbursements	\$ 480.76
GST/HST	\$ 656.08
TOTAL DUE	\$ 5,702.84



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 3, 2019
Invoice: 1308329

Remittance Statement

Professional Services	\$	4,566.00
Disbursements	\$	480.76
Total Due before GST/HST	\$	5,046.76
GST/HST	\$	656.08
Total Due in CAD	\$	5,702.84

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.
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SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 17, 2019
Invoice: 1311625

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	3,372.00
Disbursements	\$	2.69
Other Charges	\$	20.25
Total Due before GST/HST	\$	<u>3,394.94</u>
GST/HST	\$	441.34
Total Due in CAD	\$	<u>3,836.28</u>

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Date	Name	Description	Hours
01/12/19	Sean Zweig	Emails with N. Levine regarding plan implementation status	0.10
02/12/19	Sean Zweig	Reviewing letter to [REDACTED]; Reviewing draft NORD to CRA	0.20
03/12/19	Sean Zweig	Call with N. Levine	0.20
05/12/19	Sean Zweig	Reviewing Notice of Dispute from [REDACTED] and emails regarding same	0.20
06/12/19	Sean Zweig	Call with N. Levine; Correspondence with J. Robinson regarding Plan timing and cash collateral issue	0.40
09/12/19	Sean Zweig	Reviewing revised Notice of Revision or Disallowance, and emails regarding same; Reviewing certain materials filed in US proceeding	0.40
10/12/19	Sean Zweig	Various correspondence regarding [REDACTED]; Discussion with N. Levine regarding plan implementation timing	0.30
11/12/19	Sean Zweig	Emails with J. Robinson	0.10
12/12/19	Sean Zweig	Reviewing Monitor's claim register; Reviewing email from B. Jones regarding [REDACTED] of claim	0.40
13/12/19	Aiden Nelms	Reading and responding to file related emails; Preparing for and participating in conference call with FTI regarding the claims register; Reviewing and considering CBB's letter to [REDACTED]; Reviewing and considering updated claims register	2.30
13/12/19	Sean Zweig	Reviewing claims register, and call with J. Robinson regarding same; Emails regarding certain outstanding claims; Reviewing email from N. Levine regarding employee claims, and discussion with J. Robinson regarding same	1.00

Total Hours 5.60
Total Professional Services \$ 3,372.00

Name	Hours
Sean Zweig	3.30
Aiden Nelms	2.30

Disbursements	Amount
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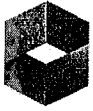


Disbursements

		Amount
SoundPath Legal Conferencing	\$	2.69
Total Disbursements	\$	2.69

Other Charges

Printing	\$	20.25
Total Other Charges	\$	20.25
GST/HST	\$	441.34
TOTAL DUE	\$	<u>3,836.28</u>



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 17, 2019
Invoice: 1311625

Remittance Statement

Professional Services	\$	3,372.00
Disbursements	\$	2.69
Other Charges	\$	20.25
Total Due before GST/HST	\$	3,394.94
GST/HST	\$	441.34
Total Due in CAD	\$	3,836.28

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.
Email notification may be sent to: bennettjonesoft@bennettjones.com
Remit by Credit Card (Visa or MasterCard):
Call an Accounts Receivable Specialist at
(403) 298-3137 or (403) 298-3164 with your credit card number, expiry date, and email address.



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Toronto, Ontario M5X 1A4

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SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 31, 2019
Invoice: 1316204

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	2,706.00
Disbursements	\$	2.69
Other Charges	\$	14.50
Total Due before GST/HST	\$	<u>2,723.19</u>
GST/HST	\$	354.01
Total Due in CAD	\$	<u>3,077.20</u>

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Date	Name	Description	Hours
16/12/19	Aiden Nelms	Reading and considering file related emails	0.40
16/12/19	Sean Zweig	Various emails with J. Robinson regarding outstanding employee claims; Emails regarding outstanding [REDACTED] and resolution of same	0.40
17/12/19	Sean Zweig	Discussion with J. Robinson regarding [REDACTED]	0.10
18/12/19	Sean Zweig	Emails in connection with outstanding [REDACTED]	0.20
20/12/19	Sean Zweig	Emails with N. Levine and J. Robinson regarding plan implementation	0.20
23/12/19	Sean Zweig	Reviewing updated closing documents; Emails regarding same	0.30
24/12/19	Sean Zweig	Reviewing monthly operating report; Emails regarding plan implementation and potential amendments; Considering same and further emails regarding same	0.60
26/12/19	Sean Zweig	Further emails regarding amendments to Plan closing steps; Considering same and discussing same; Further email; Reviewing final funds flow	0.60
27/12/19	Sean Zweig	Reviewing draft extension agreement, and email to J. Robinson regarding same	0.10
30/12/19	Sean Zweig	Emails regarding status; Emails with J. Robinson regarding reporting obligations, and considering same	0.60
31/12/19	Sean Zweig	Emails and call with N. Levine; Reviewing executed extension agreement	0.30

Total Hours 3.80
 Total Professional Services \$ 2,706.00

Name	Hours
Sean Zweig	3.40
Aiden Nelms	0.40

Disbursements	Amount
SoundPath Legal Conferencing	\$ 2.69
Total Disbursements	\$ <u>2.69</u>



Other Charges

		Amount
Printing	\$	14.50
Total Other Charges	\$	14.50
GST/HST	\$	354.01
TOTAL DUE	\$	<u>3,077.20</u>



Bennett Jones

FTI CONSULTING CANADA INC,
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

Attention: **Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: December 31, 2019
Invoice: 1316204

Remittance Statement

Professional Services	\$	2,706.00
Disbursements	\$	2.69
Other Charges	\$	14.50
Total Due before GST/HST	\$	2,723.19
GST/HST	\$	354.01
Total Due in CAD	\$	3,077.20

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Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

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SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

Attention: **Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: February 13, 2020
Invoice: 1322586

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	7,303.50
Disbursements	\$	10.00
Other Charges	\$	4.00
Total Due before GST/HST	\$	<u>7,317.50</u>
GST/HST	\$	951.28
Total Due in CAD	\$	<u>8,268.78</u>

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Date	Name	Description	Hours
03/01/20	Sean Zweig	Reviewing updated documents for signature; Emails regarding timing; Emails regarding Admin Reserve; Reviewing updated [REDACTED] and related documents	0.50
06/01/20	Sean Zweig	Reviewing agenda for US hearing; Emails with N. Levine	0.20
07/01/20	Sean Zweig	Emails regarding timing for Implementation; Reviewing updated flow of funds and intercompany loan balance	0.30
09/01/20	Sean Zweig	Emails with N. Levine regarding status of implementation	0.10
10/01/20	Sean Zweig	Various emails in connection with closing and updated closing documents	0.30
13/01/20	Sean Zweig	Reviewing correspondence in connection with closing	0.20
14/01/20	Sean Zweig	Correspondence regarding plan implementation; Reviewing materials filed in Ch. 11 proceeding	0.60
15/01/20	Sean Zweig	Many emails regarding implementation timing; Reviewing proposed amendment and discussing same	0.60
16/01/20	Aiden Nelms	Reading and responding to file related emails; Calls with J. Robinson and N. Levine regarding the Monitor's Certificate; Coordinating service and filing of same	0.70
16/01/20	Sean Zweig	Various correspondence regarding plan implementation and related matters; Reviewing Ch. 11 Order dismissing cases against Canadian companies	0.30
17/01/20	Aiden Nelms	Reading and responding to file related emails	0.20
17/01/20	Sean Zweig	Reviewing [REDACTED]	1.00
22/01/20	Sean Zweig	Emails regarding [REDACTED] from post-filing reserve	0.10
23/01/20	Sean Zweig	Further emails regarding payment from post-filing claims reserve; Call with Monitor and CBB regarding next steps; Considering same	1.40
27/01/20	Sean Zweig	Reviewing draft BAMS settlement agreement;	0.50



Date	Name	Description	Hours
		Emails with J. Robinson regarding same; Reviewing materials filed in US proceeding	
28/01/20	Sean Zweig	Call with J. Robinson and considering [REDACTED]	0.70
29/01/20	Sean Zweig	Call with J. Robinson; Reviewing claims register; Call with Cassels and Monitor; Reviewing executed [REDACTED]	1.30
Total Hours			9.00
Total Professional Services			\$ 7,303.50

Name	Hours
Sean Zweig	8.10
Aiden Nelms	0.90

Disbursements	Amount
Courier	\$ 10.00
Total Disbursements	\$ 10.00

Other Charges	Amount
Printing	\$ 4.00
Total Other Charges	\$ 4.00
GST/HST	\$ 951.28
TOTAL DUE	\$ 8,268.78



Bennett Jones

FTI CONSULTING CANADA INC.
SUITE 2010
79 WELLINGTON STREET WEST
TORONTO, ON M5K 1G8

**Attention: Greg Watson and
Paul Bishop**

Re: Payless ShoeSource
Our File Number: 076142.00007

Date: February 13, 2020
Invoice: 1322586

Remittance Statement

Professional Services	\$	7,303.50
Disbursements	\$	10.00
Other Charges	\$	4.00
Total Due before GST/HST	\$	7,317.50
GST/HST	\$	951.28
Total Due in CAD	\$	8,268.78

Remit by Wire Transfer to:

Beneficiary Account Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank 003, Transit 00009, CAD Acct 172-581-1 or USD Acct 400-553-4
SWIFT Code: ROYCCAT2

Intermediary bank: JP Morgan Chase Bank, New York
ABA: 021000021, SWIFT Code: CHASUS33

Please include the invoice number on the wire.

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Remit by Credit Card (Visa or MasterCard):

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(403) 298-3137 or (403) 298-3164 with your credit card number, expiry date, and email address.

THIS IS EXHIBIT "B" REFERRED TO IN THE

AFFIDAVIT OF SEAN H. ZWEIG

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.

Aiden Nelms

Exhibit "B"

Invoice #	Period Ending	Date of Account	Fees	Expenses/ Disbursements	HST/GST	Total
1295901	15-Sep-19	17-Sep-19	\$ 88,614.50	\$ 707.67	\$ 11,611.88	\$ 100,934.05
1297516	30-Sep-19	2-Oct-19	\$ 63,091.50	\$ 838.67	\$ 8,310.92	\$ 72,241.09
1300946	15-Oct-19	18-Oct-19	\$ 53,152.00	\$ 564.10	\$ 6,983.09	\$ 60,699.19
1302898	31-Oct-19	4-Nov-19	\$ 48,905.50	\$ 1,686.90	\$ 6,577.01	\$ 57,169.41
1306235	15-Nov-19	20-Nov-19	\$ 4,956.00	\$ 3.00	\$ 644.67	\$ 5,603.67
1308329	30-Nov-19	3-Dec-19	\$ 4,566.00	\$ 480.76	\$ 656.08	\$ 5,702.84
1311625	15-Dec-19	17-Dec-19	\$ 3,372.00	\$ 22.94	\$ 441.34	\$ 3,836.28
1316204	31-Dec-19	31-Dec-19	\$ 2,706.00	\$ 17.19	\$ 354.01	\$ 3,077.20
1322586	31-Jan-20	13-Feb-20	\$ 7,303.50	\$ 14.00	\$ 951.28	\$ 8,268.78
TOTAL			\$ 276,667.00	\$ 4,335.23	\$ 36,530.28	\$ 317,532.51

**THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF SEAN H. ZWEIG**

SWORN

THE 13th DAY OF FEBRUARY 2020



A Commissioner for taking affidavits, etc.
Aiden Nelms

Exhibit "C"

Timekeeper	Year of Call (if applicable)	Billing Year	Hourly Rate	Total Time	Fees
Zweig, Sean	2009	2019	\$ 750.00	122.9	\$ 92,175.00
		2020	\$ 850.00	8.1	\$ 6,885.00
Bell, Preet	2008	2019	\$ 720.00	16.5	\$ 11,880.00
Kris Hanc	1991	2019	\$ 750.00	0.5	\$ 375.00
Thomas Bauer	2004	2019	\$ 1,110.00	24.4	\$ 27,084.00
Nicholas Arrigo	2017	2019	\$ 445.00	52.6	\$ 23,407.00
Aiden Nelms	2018	2019	\$ 390.00	142.5	\$ 55,575.00
		2020	\$ 465.00	0.9	\$ 418.50
Mike Shakra	2013	2019	\$ 610.00	77.4	\$ 47,214.00
Hemadiy Kutsenko	2015	2019	\$ 535.00	14.3	\$ 7,650.50
Jay Winters	2009	2019	\$ 690.00	3.7	\$ 2,553.00
Hayley Zerr	Articling Student	2019	\$ 250.00	1.7	\$ 425.00
Buck Payne	Articling Student	2019	\$ 250.00	2.1	\$ 525.00
Thomas Hughes	Articling Student	2019	\$ 250.00	2	\$ 500.00
TOTAL			Total Hours:	469.6	\$ 276,667.00

Blended Rate (excluding expenses and HST) \$276,667.00 ÷ 469.6 hours =	\$589.15
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**OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PAYLESS SHOESOURCE CANADA INC. AND
PAYLESS SHOESOURCE CANADA GP INC. (the "Applicants")**

Court File No.: CV-19-00614629-00CL

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

Proceeding commenced at Toronto

**AFFIDAVIT OF SEAN H. ZWEIG
(sworn February 13th 2020)**

BENNETT JONES LLP
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