

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

THE HONOURABLE MR  
JUSTICE McEWEN

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FRIDAY, THE 21st  
DAY OF FEBRUARY, 2020



**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**")

**ORDER**  
(Stay Extension)

**THIS MOTION** made by the Payless Canada Entities (as defined below), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Order, *inter alia*, extending the Stay Period (as defined in paragraph 18 of the Initial Order of the Honourable Regional Senior Justice Morawetz dated February 19, 2019 (the "**Initial Order**")) to and including September 25, 2020, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Payless Canada Entities, the Affidavit of Adrian Frankum sworn February 11, 2020, and the exhibits thereto, the eighth report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as monitor of the Payless Canada Entities dated February 13, 2020 (the "**Eighth Report**"); and on hearing the submissions of counsel for the Applicants and Payless ShoeSource Canada LP (each a "**Payless Canada Entity**" and collectively, the "**Payless Canada Entities**"), FTI in its capacity as court-appointed monitor ("**Monitor**"), and the Supporting

Term Loan Lenders (as defined in the Eighth Report) and no one else appearing although duly served as appears from the affidavit of service of Benjamin Goodis sworn February 11, 2020 filed;

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.

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

### **STAY EXTENSION**

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including September 25, 2020.

### **APPROVAL OF MONITOR'S REPORT, ACTIVITIES, FEES AND DISBURSEMENTS**

4. **THIS COURT ORDERS** that the Eighth Report, and the activities of the Monitor referred to therein, be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel as set out in the affidavits of Paul Bishop sworn February 13, 2020 and Sean H. Zweig sworn February 13, 2020 be and are hereby approved.

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist each of the Payless Canada Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to each of the Payless Canada Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist each of the Payless Canada Entities and the Monitor and their respective agents in carrying out the terms of this Order.

7. **THIS COURT ORDERS** that each of the Payless Canada Entities and the Monitor 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 Order and for assistance in carrying out the terms of this Order, and that Payless ShoeSource Canada Inc. 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.

SUPERIOR COURT OF JUSTICE  
ENTERED  
FEB 21 2020 C.D.  
COUR SUPÉRIEURE DE JUSTICE  
ENTRÉ



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PROCEEDING COMMENCED AT TORONTO

**ORDER**

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ShoeSource Canada GP Inc. and Payless ShoeSource Canada LP*