

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

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

**NOTICE OF DEADLINES FOR FILING OF PROOFS OF CLAIM**

**TO ALL PERSONS AND ENTITIES WITH CLAIMS AGAINST ANY OF THE ABOVE-CAPTIONED DEBTOR ENTITIES:**

On May 16, 2017, the United States Bankruptcy Court for the Eastern District of Missouri (the “Court”) entered an order (Docket No. 767) (the “Bar Date Order”)<sup>1</sup> establishing certain deadlines for the filing of proofs of claim in the chapter 11 cases of the above-captioned debtors and debtors in possession (collectively, the “Debtors”).<sup>2</sup> A list of all of the Debtors, together with their respective case numbers, is attached hereto.

By the Bar Date Order, the Court established: (a) **June 19, 2017 at 11:59 p.m., Central Time** (the “General Bar Date”), as the general deadline for entities to file proofs of claim in the Debtors' cases for claims against the Debtors that arose or are deemed to have arisen prior to the date on which the Debtors filed their chapter 11 petitions, April 4, 2017 (the “Petition Date”); and (ii) **October 2, 2017 at 11:59 p.m., Central Time** (the “Governmental Bar Date”), as the general deadline for governmental units to file proofs of claim in the Debtors' cases for claims against the Debtors that arose or are deemed to have arisen prior to the Petition Date. As described below, the Bar Date Order also establishes different bar dates for certain categories of claims.

For your convenience, enclosed with this Notice is a customized proof of claim form (the “Proof of Claim Form”), which identifies on its face the amount, nature and classification of your claim(s), if any, listed in the Debtors' schedules of assets and liabilities and statements of financial affairs filed in these chapter 11 cases (collectively, the “Schedules”).

As used in this Notice, the term “entity” has the meaning given to it in section 101(15) of title 11 of the United States Code (the “Bankruptcy Code”), and includes all persons, estates, trusts and the United States trustee. As used in this Notice, the terms “person” and

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<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meaning set forth in the Bar Date Order.

<sup>2</sup> Holders of claims and interests against Payless ShoeSource Canada Inc., Payless ShoeSource Canada GP Inc., or Payless ShoeSource Canada LP. are not subject to the deadlines and other requirements of the Bar Date Order.

“governmental unit” have the meanings given to them in sections 101(41) and 101(27) of the Bankruptcy Code, respectively.

As used in this Notice, the term “claim” means, as to or against any of the Debtors and in accordance with section 101(5) of the Bankruptcy Code: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

Contact information for the Debtors' claims and noticing agent, Prime Clerk LLC (“Prime Clerk”), which is available to provide you with additional information regarding these chapter 11 cases and the filing of a proof of claim, is provided in section 10 below.

#### **A. THE BAR DATES**

The Bar Date Order establishes the following bar dates for filing proofs of claim or requests for payment of certain administrative expenses in these cases (collectively, the “Bar Dates”):

1. The General Bar Date. Pursuant to the Bar Date Order, except as described below, all entities holding claims (whether secured, unsecured, priority or unsecured priority, including section 503(b)(9) claims) against the Debtors that arose or are deemed to have arisen prior to the Petition Date are required to file proofs of claim by the General Bar Date (*i.e.*, by June 19, 2017, 2017 at 11:59 p.m., Central Time). *The General Bar Date applies to all types of claims against the Debtors that arose prior to the Petition Date, including secured claims, unsecured priority claims (including, without limitation, claims entitled to priority under section 503(b)(9) of the Bankruptcy Code) and unsecured nonpriority claims.*
2. The Governmental Bar Date. Pursuant to the Bar Date Order, except as described below, all governmental units holding claims against the Debtors that arose before the Petition Date are required to file proofs of claim by October 2, 2017 at 11:59 p.m., Central Time, the Governmental Bar Date.).
3. The Rejection Bar Date. Pursuant to the Bar Date Order, any entity asserting claims against the Debtors arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to a court order or by operation of section 365(d)(4) of the Bankruptcy Code, or claims otherwise related to such rejected agreements, including: (a) secured claims, unsecured priority claims and unsecured nonpriority claims that arose or are deemed to have arisen prior to the Petition Date; and (b) administrative claims under section 503(b) of the Bankruptcy Code, (collectively, “Rejection Damages Claims”) are required to file proofs of claim by the later of: (i) the General Bar Date and (ii) 11:59 p.m., Central Time, on the date that is 30 days after the entry of the relevant order or deemed rejection date. The later of these dates is referred to in this Notice

as the “Rejection Bar Date.” *For the avoidance of doubt, all prepetition and postpetition claims of any kind or nature arising from or relating to rejected executory contracts or unexpired leases must be filed by the Rejection Bar Date.*

4. The Amended Schedule Bar Date. Pursuant to the Bar Date Order, if, subsequent to the date of this Notice, a Debtor amends or supplements its Schedules to: (a) reduce the undisputed, noncontingent and liquidated amount of a claim against the Debtor; (b) change the nature or classification of a claim against the Debtor in a manner adverse to the scheduled creditor; or (c) add a new claim to the Schedules with respect to a party that was not previously served with notice of the Bar Dates, the affected claimant is required to file a proof of claim or amend any previously filed proof of claim in respect of the new or amended scheduled claim on or before the later of: (i) the General Bar Date; and (ii) 11:59 p.m., Central Time, on the date that is 30 days after notice of the applicable amendment or supplement to the Schedules is served on the claimant. The later of these dates is referred to in this Notice as the “Amended Schedule Bar Date.”

## **B. WHO MUST FILE A PROOF OF CLAIM**

Unless one of the exceptions described in Section E below applies, if you have a claim that arose or is deemed to have arisen prior to the Petition Date, you **MUST** file a proof of claim to vote on a chapter 11 plan or to share in distributions from the Debtors' bankruptcy estates. Claims based on acts or omissions of the Debtors that occurred before the Petition Date must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated, or certain or did not mature or become fixed, liquidated, or certain before the Petition Date.

Except where the Governmental Bar Date, Rejection Bar Date, or the Amended Schedule Bar Date apply to establish a different deadline or one of the exceptions described in Section E below applies, the following entities must file proofs of claim on or before the General Bar Date:

1. any entity (i) whose prepetition claim against a Debtor is not listed in the applicable Debtor's Schedules or is listed as “disputed,” “contingent” or “unliquidated” and (ii) that desires to participate in any of these chapter 11 cases or share in any distribution in any of them; and
2. any entity that believes that its prepetition claim is improperly classified in the Schedules or is listed in an incorrect amount or against an incorrect Debtor and that desires to have its claim allowed in a classification or amount or against a Debtor other than that identified in the Schedules.

## **C. WHAT TO FILE**

The Debtors are enclosing a Proof of Claim Form for use in these cases, or you may use another proof of claim form that conforms substantially to the standard proof of claim form, Official Form B 410. You will receive a different Proof of Claim Form for each claim scheduled in your name by the Debtors. You may utilize the Proof of Claim Form(s) provided by the Debtors to file your claim. Additional proof of claim forms may be obtained, free of charge, at

the following websites: <http://www.uscourts.gov/forms/bankruptcy-forms> or <https://cases.primeclerk.com/payless>.

All proof of claim forms must be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant (electronic signatures are acceptable). The proof of claim form must be written in English and be denominated in United States currency. You should attach to your completed proof of claim form any documents upon which the claim is based (or, if such documents are voluminous, attach a summary) or an explanation as to why the documents are not available.

Except as otherwise set forth in the Bar Date Order, all Claimants asserting a Claim against more than one Debtor must file a separate Proof of Claim with respect to each such Debtor and identify on each Proof of Claim the particular Debtor against which such Claim is asserted and the case number for that particular Debtor. If any Proof of Claim does not clearly specify the name of the Debtor against which the claim is asserted (including listing multiple Debtors), that Proof of Claim shall be administered as though it was filed against Payless Holdings LLC, unless a single different case number is clearly specified. Notwithstanding the foregoing, the failure of any entity to file its Proof of Claim against the correct Debtor shall not constitute cause to expunge the Proof of Claim. Rather, the Debtors may seek to reclassify the Proof of Claim so that the claim is asserted against the proper Debtor on notice to the affected claimant.

Any entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, a detailed statement describing the nature and basis of any portion of the Rejection Damages Claim asserting an administrative priority under section 503(b) of the Bankruptcy Code (the "Administrative Claim Supplement").

Under the Bar Date Order, the filing of a proof of claim form, along with an attached Administrative Claim Supplement, if applicable, shall be deemed to satisfy the procedural requirements for the assertion of a Rejection Damages Claim (including any administrative claim included therein). *All other administrative claims under section 503(b) of the Bankruptcy Code must be made by separate requests for payment in accordance with section 503(a) of the Bankruptcy Code and shall not be deemed proper if made by proof of claim.* No deadline has been established for the filing of administrative claims other than (a) claims under section 503(b)(9) of the Bankruptcy Code and (b) any portion of a Rejection Damages Claim seeking administrative priority, which claims must be filed by the General Bar Date and the Rejection Bar Date, respectively.

#### **D. WHEN AND WHERE TO FILE**

All Proofs of Claim must be sent either (a) through the CM/ECF system on the Court's website at <http://www.moeb.uscourts.gov/epoc.htm>; or (b) electronically using the Electronic Proof of Claim (ePOC) Program on the Court's web site at <https://www.ecf.moeb.uscourts.gov/cgibin/login>; or (c) by first-class mail or overnight courier to Clerk of the Bankruptcy Court, Eastern District of Missouri, 111 S. 10<sup>th</sup> St., 4<sup>th</sup> Floor, St. Louis, MO 63102; or (d) by first-class mail, overnight courier, or hand-delivery to **Payless Holdings LLC Claims Processing Center, c/o Prime Clerk LLC, 830 3rd Avenue, 3rd Floor, New**

**York, NY 10022.** Proofs of claim must be actually received **on or before the applicable Bar Date.**

. Proofs of claim will be deemed filed only when **actually received** by the United States Bankruptcy Court for the Eastern District of Missouri or by the Payless Claims Processing Center on or before the applicable Bar Date. **Proofs of claim may NOT be delivered by facsimile or electronic mail transmission.** Any facsimile or electronic mail submission will not be accepted and will not be deemed filed until a proof of claim is submitted by one of the approved methods described above.

Proof of claim forms will be collected from the Payless Claims Processing Center, docketed and maintained by the Debtors' claims agent, Prime Clerk. If you wish to receive acknowledgement of Prime Clerk's receipt of a proof of claim, you must submit to Prime Clerk by the applicable Bar Date and concurrently with your original proof of claim: (a) a copy of the original proof of claim; and (b) a self-addressed, postage prepaid return envelope. Filed proofs of claim will be posted on Prime Clerk's website, <https://cases.primeclerk.com/payless>, as soon as is practicable after receipt.

#### **E. WHO NEED NOT FILE A PROOF OF CLAIM**

The Bar Date Order further provides that the following entities, whose claims otherwise would be subject to the General Bar Date or the Governmental Bar Date, need not file proofs of claim:

1. any entity that already has filed a signed proof of claim against the applicable Debtor(s) with Prime Clerk or the Clerk of the Bankruptcy Court for the Eastern District of Missouri in a form substantially similar to Official Form B 410;
2. any entity whose claim is listed on the Schedules if: (i) the claim is not scheduled as any of "disputed," "contingent," or "unliquidated;" (ii) such entity agrees with the amount, nature, and priority of the claim as set forth in the Schedules; and (iii) such entity does not dispute that its claim is an obligation only of the specific Debtor against which the claim is listed in the Schedules;
3. any entity whose claim has previously been allowed by order of the Court;
4. any entity whose claim has been paid in full by the Debtors pursuant to the Bankruptcy Code or in accordance with an order of the Court;
5. any Debtor or non-Debtor subsidiary having a claim against another Debtor;
6. any entity whose claim is solely against any of the Debtors' non-Debtor affiliates;

7. any holder of an equity interest in the Debtors need not file a proof of interest with respect to the ownership of such equity interest at this time; provided, however, that any holder of an equity interest who wishes to assert a claim against the Debtors, including a claim relating to such equity interest or the purchase or sale of such interest, must file a proof of claim asserting such claim on or prior to the Claims Bar Date pursuant to procedures set forth herein;
8. a current employee of the Debtors, if an order of this Court authorized the Debtors to honor such claim in the ordinary course of business for wages, commissions, or benefits; provided, however, that a current employee must submit a Proof of Claim by the Claims Bar Date for all other claims arising before the Petition Date, including claims for wrongful termination, discrimination, harassment, hostile work environment, and/or retaliation;
9. any current or former officer, director, or employee for claims based on indemnification, contribution, or reimbursement;
10. (i) the DIP ABL Lenders, on account of claims arising under the DIP ABL Loan Agreement, (ii) the DIP Term Lenders, on account of claims arising under the DIP Term Loan Agreement, (iii) the Prepetition TL First Lien Lenders, on account of claims arising under the Prepetition TL First Lien Agreement, (iv) the Prepetition TL Second Lien Lenders, on account of claims arising under the Prepetition TL Second Lien Agreement, and (v) the Prepetition Revolver Lenders, on account of claims arising under the Prepetition Revolver Agreement;<sup>3</sup>
11. any individual holder of a claim for principal, interest, or applicable fees or charges (a “Debt Claim”) on account of any note, bond, or debenture issued by the Debtors pursuant to an indenture (an “Indenture”) or a credit agreement (a “Credit Agreement”) with respect to such claim;
12. any holder of a claim allowable under section 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administrative that arose after the Administrative Claims Bar Date (other than any claim allowable under section 503(b)(9) of the Bankruptcy Code)
13. any entity holding a claim for which a separate deadline is fixed by the Court;

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<sup>3</sup> Capitalized terms used but not defined in this Paragraph 19(j) shall have the meanings set forth in the Interim DIP Order. The “Interim DIP Order” means that certain *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing The Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Lenders, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 69].

14. any holder of a claim for fees and expenses of professionals (i) retained in these proceedings or (ii) compensated pursuant to the Final DIP Order;<sup>4</sup>
15. any holder of a claim asserting administrative priority and arising in the ordinary course of business after the Petition Date (but not, for the avoidance of doubt, claims asserting priority pursuant to section 503(b)(9) of the Bankruptcy Code); and
16. any holder of a claim asserted by any counterparty to an unexpired lease who has agreed, in an email to the Debtors at [paylesscurennotice@kirkland.com](mailto:paylesscurennotice@kirkland.com) or other written correspondence with the Debtors, that it will provide the Debtors with a cure statement by no later than June 19, 2017, which cure statement may be consolidated to apply to multiple properties so long as each property, and its cure amount, is listed in a separate exhibit to the cure statement; *provided that* if an unexpired lease counterparty provides the Debtors with such a cure statement, the unexpired lease counterparty shall not be required to also file a cure objection by any cure objection deadline; *provided further that* each such unexpired lease counterparty shall not be exempted from the requirement to file a rejection damages claim or apply for payment of administrative expenses, to the extent applicable, and when such claims would otherwise be due under the terms of the Bar Date Order and this Notice.

#### **D. NO BAR DATE FOR PROOFS OF INTEREST**

Any entity holding an interest in any Debtor (an “Interest Holder”), which interest is based exclusively upon the ownership of common or preferred stock in a corporation, a membership interest in a limited liability corporation or partnership or warrants or rights to purchase, sell or subscribe to such a security or interest (any such security or interest, an “Interest”), need not file a proof of Interest on or before the General Bar Date; provided, however, that Interest Holders who wish to assert claims against any of the Debtors that arise out of or relate to the ownership or purchase of an Interest, including claims arising out of or relating to the sale, issuance or distribution of the Interest, must file proofs of claim on or before the General Bar Date, unless another exception identified in this Notice applies. The Debtors have reserved the right to establish at a later time a bar date requiring Interest Holders to file proofs of Interest. If such bar date is established, Interest Holders will be notified of the bar date for filing proofs of Interest at the appropriate time.

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<sup>4</sup> For purposes of this Notice, the term “Final DIP Order” shall mean a final order granting the Debtors’ *Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing The Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Lenders, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 36].

#### **E. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

As described in Section A above, any entity wishing to assert a Rejection Damages Claim must file, by the Rejection Bar Date, a proof of claim for any prepetition or postpetition damages caused by such rejection, or any other prepetition or postpetition claims of any kind or nature whatsoever relating to the rejected agreement. As further described in Section C above, any entity asserting a Rejection Damages Claim with an administrative claim component must file, along with its proof of claim, an Administrative Claim Supplement.

#### **F. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE**

EXCEPT AS OTHERWISE SET FORTH IN THE BAR DATE ORDER, ANY ENTITY THAT IS REQUIRED TO FILE A PROOF OF CLAIM WITH RESPECT TO A PARTICULAR CLAIM AGAINST A DEBTOR BUT THAT FAILS TO DO SO BY THE APPLICABLE BAR DATE DESCRIBED IN THIS NOTICE SHALL BE ESTOPPED AND ENJOINED FROM THE FOLLOWING: (A) ASSERTING ANY SUCH CLAIM AGAINST THE DEBTORS OR THEIR ESTATES OR PROPERTY THAT (I) IS IN AN AMOUNT THAT EXCEEDS THE AMOUNT, IF ANY, THAT IS IDENTIFIED IN THE SCHEDULES ON BEHALF OF SUCH ENTITY AS UNDISPUTED, NONCONTINGENT AND LIQUIDATED OR (II) IS OF A DIFFERENT NATURE OR CLASSIFICATION THAN ANY SUCH CLAIM IDENTIFIED IN THE SCHEDULES ON BEHALF OF SUCH ENTITY (ANY SUCH CLAIM IN THIS SUBPARAGRAPH (A) BEING REFERRED TO IN THIS NOTICE AS AN “UNSCHEDULED CLAIM”); (B) VOTING UPON, OR RECEIVING DISTRIBUTIONS UNDER, ANY CHAPTER 11 PLAN IN THESE CHAPTER 11 CASES IN RESPECT OF AN UNSCHEDULED CLAIM; OR (C) WITH RESPECT TO ANY ADMINISTRATIVE PRIORITY CLAIM COMPONENT OF ANY REJECTION DAMAGES CLAIM, ASSERTING ANY SUCH PRIORITY CLAIM AGAINST THE DEBTORS OR THEIR ESTATES OR PROPERTY.

#### **G. THE DEBTORS' SCHEDULES AND ACCESS THERETO**

You may be listed as the holder of a claim against one or more of the Debtors in the Debtors' Schedules. To determine if and how you are listed on the Schedules, please refer to the descriptions set forth on the enclosed Proof of Claim Form(s) regarding the nature, amount and status of your claim(s). If the Debtors believe that you may hold claims against more than one Debtor, you will receive multiple Proof of Claim Forms, each of which will reflect the nature and amount of your claim against one Debtor, as listed in the Schedules.

If you rely on the Debtors' Schedules, it is your responsibility to determine that the claim is accurately listed in the Schedules. Otherwise, or if you decide to file a proof of claim, you must do so before the applicable Bar Date in accordance with the procedures set forth in this Notice.

#### **H. RESERVATION OF RIGHTS**

The Debtors reserve the right, subject to the Final DIP Order, to: (a) dispute, or assert offsets or defenses against, any filed claim or any claim listed or reflected in the Schedules as to

nature, amount, liability, priority, classification or otherwise; (b) subsequently designate any scheduled claim as disputed, contingent or unliquidated; and (c) otherwise amend or supplement the Schedules. Nothing contained in this Notice shall preclude the Debtors from objecting to any claim, whether scheduled or filed, on any grounds.

## **I. ADDITIONAL INFORMATION**

Copies of the Debtors' Schedules, the Bar Date Order, the Proof of Claim Form and other information and documents regarding the Debtors' chapter 11 cases are available for inspection and download free of charge on Prime Clerk's website at <https://cases.primeclerk.com/payless>. Copies of the Schedules and other documents filed in these cases also may be examined between the hours of 8:30 a.m. and 4:30 p.m., Central Time, Monday through Friday, at the U.S. Bankruptcy Court Eastern District of Missouri, Office of the Clerk of Bankruptcy Court, 111 South 10th Street, Fourth Floor, St. Louis, MO 63102.

If you require additional information regarding the filing of a proof of claim, you may contact Prime Clerk at (844) 648-5574 (toll free in the U.S. and Canada) or (347) 505-5245 (international calls). You also may contact Prime Clerk by writing to:

Payless Holdings LLC Claims Processing Center  
c/o Prime Clerk LLC  
830 3rd Avenue, 3rd Floor  
New York, NY 10022

**A HOLDER OF A POSSIBLE CLAIM AGAINST THE DEBTORS SHOULD CONSULT AN ATTORNEY REGARDING ANY MATTERS NOT COVERED BY THIS NOTICE, SUCH AS WHETHER THE HOLDER SHOULD FILE A PROOF OF CLAIM.**

BY ORDER OF THE COURT

	<b>Debtor's Name</b>	<b>Debtor's EIN Number</b>
1.	Payless Holdings LLC	80-0855704
2.	Payless Intermediate Holdings LLC	N/A
3.	WBG-PSS Holdings LLC	N/A
4.	Payless Inc.	43-1813160
5.	Payless Finance, Inc.	43-1622101
6.	Collective Brands Services, Inc.	48-1227266
7.	PSS Delaware Company 4, Inc.	48-1221466
8.	Shoe Sourcing, Inc.	48-1234075
9.	Payless ShoeSource, Inc.	48-0674097
10.	Eastborough, Inc.	48-1212803
11.	Payless Purchasing Services, Inc.	48-1253043
12.	Payless ShoeSource Merchandising, Inc.	48-1140946
13.	Payless Gold Value CO, Inc.	46-1103581
14.	Payless ShoeSource Distribution, Inc.	48-1140944
15.	Payless ShoeSource Worldwide, Inc.	43-1646884
16.	Payless NYC, Inc.	48-1194126
17.	Payless ShoeSource of Puerto Rico, Inc.	66-0479107
18.	Payless Collective GP, LLC	N/A
19.	Collective Licensing, L.P.	20-4231256
20.	Collective Licensing International LLC	05-0585451
21.	Clinch, LLC	27-2429836
22.	Collective Brands Franchising Services, LLC	26-3883636
23.	Payless International Franchising, LLC	27-3686448
24.	Collective Brands Franchising Services, LLC	26-3883636
25.	Payless International Franchising, LLC	27-3686448
26.	Collective Brands Logistics, Limited	98-0546466
27.	Dynamic Assets Limited	98-0381978
28.	PSS Canada, Inc.	74-2834969