



No. S-171026
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY



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

DEANS KNIGHT CAPITAL MANAGEMENT LTD

PETITIONER

- and -

SHOEME TECHNOLOGIES LIMITED
SHOES.COM TECHNOLOGIES INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION
(APPROVAL AND VESTING ORDER)

BEFORE THE HONOURABLE
JUSTICE GROVES

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WEDNESDAY, THE 5TH DAY OF
APRIL, 2017

ON THE APPLICATION of the Receiver, Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of Shoeme Technologies Limited and Shoes.com Technologies Inc. (the “**Debtor**”), coming on for hearing at Vancouver, British Columbia on the 5th day of April, 2017; AND ON HEARING Ryan M. Laity, counsel for the Receiver, and those other counsel listed on Schedule “A” hereto, and no one appearing for the Respondents, although duly served; AND UPON READING the material filed, including the Report of the Receiver dated March 30, 2017 (the “**Report**”);

THIS COURT ORDERS that:

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient, and this application is properly returnable today.
2. The sale transaction (the "**Transaction**") contemplated by the bill of sale dated April 5, 2017 (the "**Bill of Sale**") between the Receiver and DSW Shoe Warehouse, Inc. (the "**Purchaser**"), a copy of which is attached as Appendix "E" to the Report is hereby approved, and the Bill of Sale is commercially reasonable. The execution of the Bill of Sale by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents, including any minor amendments agreed to by the Receiver and the Purchaser, as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Bill of Sale and listed in Schedule "B" hereto (the "**Purchased Assets**").
3. Without limiting the generality of the foregoing, the Receiver will provide to the Purchaser reasonable assistance in transferring the Purchased Assets, including, where appropriate, providing account credentials for on-line services, such as log-in user names and passwords, to the extent reasonably necessary to effect the intended transfer, or taking such steps and providing such cooperation and assistance using retained account credentials to effect the transfers through any facilities through such on-line services.
4. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as Schedule "C" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Bill of Sale shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated February 3, 2017; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the

Personal Property Security Act of British Columbia or any other personal property registry system (all of which are collectively referred to as the “**Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets. Without limiting the generality of the foregoing or the conveyance of the Purchased Assets pursuant to the Bill of Sale, Geodis Logistics (Canada) Inc. (“**Geodis**”) shall be deemed to have possession of that certain inventory comprising part of the Purchased Assets for the purposes of Geodis’s asserted claim of a possessory, statutory and contractual lien over the proceeds of such inventory only, notwithstanding the fact that Geodis shall surrender possession of such inventory to DSW and shall not have any Encumbrance over any actual physical inventory pursuant to the terms of this Order.

5. Upon presentation for registration in the Office of the Registrar of Trademarks in the Canadian Intellectual Property Office of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, the Registrar of Trademarks in the Canadian Intellectual Property Office is to register the transfer of the Debtor’s Canadian trademark registration set out in Schedule “B” to the Purchaser.
6. Upon presentation of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, each registrar of a domain name forming part of the Purchased Assets is to transfer registration and administration of the domain name to the Purchaser.
7. Upon presentation of a certified copy of this Order, together with a letter from Borden Ladner Gervais LLP, solicitors for the Receiver, authorizing registration of this Order, each service provider maintaining a social media account forming part of the Purchased Assets is to transfer registration and administration of the social media account to the Purchaser.
8. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver’s Certificate all Claims shall


attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.

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

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

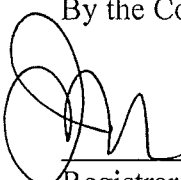
13. THIS COURT HEREBY REQUESTS the aid and recognition of any domestic or foreign court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
14. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
15. Endorsement of this Order by counsel appearing, other than counsel for the Receiver, is hereby dispensed with.

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




Signature of ☐ party ☒ lawyer for the Receiver

Ryan M. Laity

By the Court.
 _____
Registrar



Certified a true copy according to
the records of the Supreme Court
at Vancouver, B.C.

This 5th day of April 2017


Authorized Signing Officer

PRISCILLA LEE

SCHEDULE "A"

[illegible]

Schedule B – Purchased Assets

Domain Names

HARDYDESIGNWORKS.COM
JEANME.COM
PIKABOOTS.COM
PIKAWEAR.COM
SHOEBOER.CO
SHOEME.CA
SHOEME.CO
SHOEME.COM
SHOEME.ORG
SHOEMEOUTLET.CA
SHOEMEOUTLET.CO
SHOEMEOUTLET.COM
SHOEMEOUTLET.INFO
SHOEMEOUTLET.NET
SHOEMOI.CA
SHOEMOI.COM

Registered Trademarks

ShoeMe.ca

Customer List

Customer list maintained by the Debtor in connection with the operations of the above Domain Names excluding (i) any information that was obtained or maintained not in compliance with Canada's Anti-Spam Legislation and (ii) any information relating to any customer with a physical address located in the Province of Quebec or with a telephone number with an area code in the Province of Quebec.

Other

SHOEme Shopify Account (created Jan 2012)

SHOEmeNet ERP: Custom built proprietary software system including modules for warehouse management, inventory syncing, financial controls and reporting

Unregistered trademarks and logos

Schedule C – Receiver’s Certificate

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AMONG:

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PETITIONER

AND:

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

RESPONDENTS

RECEIVER’S CERTIFICATE

- A. Pursuant to the Order of the Court dated February 3, 2017, Alvarez & Marsal Canada Inc. was appointed as Receiver of the assets, undertakings and properties of Shoeme Technologies Limited.
- B. Pursuant to the Order of the Court dated February 15, 2017, Alvarez & Marsal Canada Inc. was appointed as Receiver of the assets, undertakings and properties of Shoes.com Technologies Inc.
- C. Pursuant to an Order of the Court dated April 5, 2017 (the “**Approval and Vesting Order**”), the Court approved the sale of the Purchased Assets to DSW Shoe Warehouse, Inc. (the “**Purchaser**”), providing for the vesting in the Purchaser of all of Shoeme Technologies Limited’s right, title and interest in and to the Purchased Assets (as defined in the Bill of Sale), which vesting is to be effective with respect to the Purchased Assets

upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

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

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

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

Per: _____
Name:
Title: