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Attorney or Party Name, Address, Telephone & Facsimile Numbers, and California State Bar Number Ron Bender (SBN 143364) (310) 229-1234 Monica Y. Kim (SBN 180139) (310) 229-1244 Fax Levene, Neale, Bender, Rankin & Brill 1801 Avenue of the Stars, Suite 1120 Los Angeles, CA 90067	FOR COURT ONLY <div style="border: 1px solid black; padding: 5px; text-align: center;"> FILED AUG 26 <small>CLERK OF SUPERIOR COURT OF CENTRAL DISTRICT OF CALIFORNIA</small> </div>
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: THE WALKING COMPANY, a California corporation <div style="text-align: right;">Debtor(s).</div>	CASE NO.: SV 03-15880 GM

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: 9/24/03	Time: 10:00 a.m.
Location: Courtroom 303, 21041 Burbank Blvd., Woodland Hills, CA	

Type of Sale: Public Private Last date to file objections: 9/10/03

Description of Property to be Sold: See attached notice

Terms and Conditions of Sale: See Sale Motion to be filed with the Court on or before August 31, 2003

Proposed Sale Price: See attached notice

Overbid Procedure (If Any): See attached notice

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing: September 24, 2003 10:00 a.m., Courtroom 303, 21041 Burbank Blvd., Woodland Hills, CA
Contact Person for Potential Bidders (include name, address, telephone, fax and/or e:mail address):

Monica Y. Kim (310) 229-1234

Levene, Neale, Bender, Rankin & Brill

1801 Avenue of the Stars, Suite 1120

Los Angeles, CA 90067

Fax: (310) 229-1244 myk@lnbrb.com

Date: 8/26/03

1 RON BENDER (SBN 143364)
2 MONICA Y. KIM (SBN 180139)
3 LEVENE, NEALE, BENDER, RANKIN & BRILL L.L.P.
4 1801 Avenue of the Stars, Suite 1120
5 Los Angeles, California 90067
6 Telephone: (310) 229-1234; Facsimile: (310) 229-1244

7 Attorneys for Debtors and Debtors in Possession

8 UNITED STATES BANKRUPTCY COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 SAN FERNANDO VALLEY DIVISION

11 In re) CASE NO. SV 03-15880-GM
12)
13 THE WALKING COMPANY, a California) Jointly Administered With Case No. SV 03-
14 corporation, and) 15932-GM
15)
16 ALAN'S SHOES, INC., an Arizona) Chapter 11
17 corporation,)
18 Debtors.) **NOTICE OF OPPORTUNITY TO**
19) **OVERBID SALE OF THE WALKING**
20) **COMPANY'S INTEREST IN**
21) **SHOES.COM**

22 Affects The Walking Company Only)

23 Affects Alan's Shoes, Inc. Only)

24 Affects Both Debtors)

25) DATE: September 24, 2003
26) TIME: 10:30 a.m.
27) PLACE: Courtroom 303
28) 21041 Burbank Blvd.
Woodland Hills, CA

29 TO ALL CREDITORS AND SHAREHOLDERS OF THE WALKING COMPANY,
30 ALL SHAREHOLDERS OF SHOES.COM, INC., OFFICE OF THE UNITED STATES
31 TRUSTEE, AND PARTIES REQUESTING SPECIAL NOTICE:

32 PLEASE TAKE NOTICE that The Walking Company, a California corporation, Debtor
33 and Debtor-in-Possession (the "Debtor"), will be seeking Court authority to sell 800,000 shares

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2 of common stock (the "Stock") of Shoes.Com, Inc. ("SCP"), an internet retailer of footwear,
3 which are owned by TWC to Steve Adler, the proposed buyer (the "Proposed Buyer"), for
4 \$600,000, subject to overbids at an auction sale hearing to be conducted before the Honorable
5 Geraldine Mund, United States Bankruptcy Judge, on September 24, 2003 at 10:30 a.m.

6 Pursuant to an order entered by the Court, any person or entity wishing to submit an
7 overbid with respect to the purchase of the Stock shall follow the bidding procedures (the
8 "Procedures") set forth below.
9

10 1. The auction sale of the Stock, and the hearing (the "Hearing") before the Court to
11 consider approval of the auction sale of the Stock to the Proposed Buyer (for \$600,000) or to a
12 successful overbidder, shall be held on September 24, 2003, at 10:30 a.m. at the United States
13 Bankruptcy Court, located at 21041 Burbank Blvd., 3rd Floor, Courtroom 303, Woodland Hills,
14 California.
15

16 2. A data book containing information which would be relevant to a prospective
17 overbidder for the Stock will be assembled by the Debtor. In order to review the data book,
18 prospective overbidders shall be required to execute a confidentiality agreement in the form
19 attached hereto as Exhibit "A" and demonstrate the financial ability to pay at least \$610,000,
20 which shall be the minimum amount of any initial overbid. All overbids beyond any initial
21 overbid shall be by increments of not less than \$10,000.
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23 3. In order to overbid the \$600,000 offer of the Proposed Buyer, a proposed
24 overbidder must, by the day prior to the Hearing (i.e., September 23, 2003), deliver to Levene,
25 Neale, Bender, Rankin & Brill L.L.P. ("LNBRB"), bankruptcy counsel to the Debtor at the
26 address set forth in the upper left-hand corner of this Notice, immediately available funds in the
27 amount of \$61,000 and demonstrate the ability to pay the balance of funds at a closing to occur
28 not later than eleven (11) days following entry of the sale order. If an overbid is received, the

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2 Proposed Buyer shall immediately deliver a deposit of \$60,000 to LNBRB. Any deposit of a
3 proposed overbidder will be non-refundable in the event a proposed overbidder is deemed by the
4 Court to be the winning bidder and fails to close due to the fault of the winning bidder. All
5 deposits of proposed overbidders other than the deposit of the Backup Bidder (as defined below)
6 who are not deemed by the Court to be the winning bidder shall be immediately returned to the
7 proposed overbidder. In the event the winning bidder fails to close for any reason, the next
8 highest bidder (the "Backup Bidder") shall have two (2) business days following receipt of notice
9 from the Debtor of the winning bidder's failure to close to consummate the sale of the Stock. If
10 the Backup Bidder fails to close due to the fault of the Backup Bidder, the deposit posted by the
11 Backup Bidder shall be non-refundable.

13 4. Information about SCI that is deemed confidential pursuant to an agreement
14 between the Debtor, SCI and the Official Committee of Unsecured Creditors appointed in the
15 Debtor's case will not be disseminated to any prospective overbidder.

17 5. The transfer of the Stock may be contractually subject to, among other things,
18 transfer restrictions contained in the Stockholders Agreement (which is part of the data book)
19 such that, before the Stock can be sold or transferred to a winning bidder, third parties
20 contractually have the right to obtain the Stock. Thus, all prospective overbidders are strongly
21 encouraged to review this agreement (as well as all other documents and/or information
22 contained in the data book) agreement carefully and seek advise of counsel or other appropriate
23 representation.

25 6. The Proposed Buyer shall not receive a breakup fee in the event that the Proposed
26 Buyer is not the successful purchaser of the Stock.

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7. Any questions regarding the sale of the Stock or the Procedures shall be directed to counsel for the Debtor whose name and contact information appear at the top left-hand corner of this Notice.

Dated: August 22, 2003

THE WALKING COMPANY

By: Monica Y. Kim

Monica Y. Kim
Levene, Neale, Bender, Rankin &
Brill L.L.P.
Attorneys for Debtors and Debtors in Possession

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT is made and entered into as of this ___ day of August 2003 ("Effective Date"), between _____ a _____ [corporation/limited partnership/limited liability company] having an address at _____ ("Company"), and The Walking Company ("TWC"), a California corporation, having an address at 9453 Owensmouth Avenue, Chatsworth, CA 91311.

1. Purpose. The Company wishes to explore the possible purchase of 800,000 shares of common stock of Shoes.com ("SCI") owned by TWC, and in connection with this opportunity, TWC may disclose to the Company certain confidential technical and business information of SCI which TWC requires the Company to treat, hold and maintain as confidential.

2. Confidential Information.

A. "Confidential Information" means any and all information that is disclosed by TWC to the Company, either directly or indirectly, in writing, orally or by inspection of tangible objects on, before or after the date hereof. Confidential Information may also include information received by the Company from third parties, including, without limitation, the Official Committee of Unsecured Creditors (the "Committee") appointed in TWC's pending chapter 11 case.

B. Notwithstanding Section 2.A above, Confidential Information shall not include any information which (i) was publicly known and made generally available in the public domain prior to the time of disclosure by TWC; (ii) becomes publicly known and made generally available after disclosure by TWC to the Company through no action or inaction of the Company; and (iii) is obtained by the Company from a third party without a breach of such third party's obligations of confidentiality.

3. Nonuse and Nondisclosure. The Company agrees not to use any Confidential Information of TWC or SCI for any purpose except to evaluate and engage in discussions concerning a potential purchase of the Stock and to carry out the terms of any sale agreement reached by the parties. The Company agrees not to disclose any Confidential Information of TWC or SCI to third parties or to the Company's employees or representatives, except to those employees and representatives of the Company who are required to have the information in order to evaluate or engage in discussions concerning the contemplated purchase. The Company will advise employees who receive the Confidential Information of the existence and terms of this Agreement and that they are required to abide by the terms of this Agreement. Confidential Information furnished in written, pictorial, magnetic and/or other tangible form shall not be duplicated by the Company except as necessary for the purposes of this Agreement.

4. Maintenance of Confidentiality. The Company agrees that it shall take all measures necessary to protect the secrecy of and avoid disclosure and unauthorized use of the Confidential Information. Without limiting the foregoing, the Company shall use and require its employees and representatives to use at least that degree of care that they take to protect their own confidential information of a similar nature, but in no event less than reasonable care, and shall

ensure that its employees and representatives who have access to Confidential Information have signed a nonuse and nondisclosure agreement protecting Confidential Information that is substantially similar in content to the provisions hereof, prior to any disclosure of Confidential Information to such employees. Notwithstanding any other provision herein, the Company shall not disclose Confidential Information to any third party except as provided herein.

In the event that the Company is requested or required (by oral questions, interrogatories, requests for information, subpoena, civil investigation, or other process) to disclose (i) any Confidential Information or (ii) any information relating to its opinion, judgment or recommendations concerning TWC or SCI as developed from Confidential Information, the Company will provide TWC with prompt notice of any such request or requirement so that TWC may seek an appropriate protective order or waive the Company's compliance with the provisions of this Agreement. If, failing the entry of a protective order or the receipt of a waiver hereunder, the Company is, in the opinion of its counsel (including, without limitation, in-house counsel), compelled to disclose Confidential Information, the Company will only disclose that portion of the Confidential Information which its counsel advises it in writing that the Company is compelled to disclose, and will exercise reasonable efforts to obtain assurance that the recipient will maintain the confidentiality of the Confidential Information. In any event, the Company will not oppose action by TWC or SCI to obtain an appropriate protective order or other reliable assurance that confidential treatment will be afforded this Confidential Information.

5. Employees. The Company shall not contact any employees of TWC and SCI other than corporate officers of TWC and SCI without prior written consent of TWC.

6. No Obligation. Nothing herein shall obligate either party to proceed with any transaction between them unless reduced to a definitive agreement in separate documentation, and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the sale opportunity.

7. No Warranty. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS". TWC MAKES NO WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ITS ACCURACY, COMPLETENESS OR PERFORMANCE.

8. Destruction of Materials. All documents and other tangible objects containing or representing Confidential Information which have been disclosed by TWC to the Company, and all copies thereof which are in the possession of the Company, shall be and remain the property of TWC and shall be promptly destroyed upon TWC's written request with such destruction certified to by the Company.

9. No License. Nothing in this Agreement is intended to grant any rights to the Company under any trademark, patent, copyright or other intellectual property of TWC, nor shall this Agreement grant the Company any rights in or to the Confidential Information except as expressly set forth herein.

10. Term. The obligations of the Company hereunder shall survive until the earlier of (i) such time as all Confidential Information disclosed hereunder becomes publicly known and made generally available through no action or inaction of the Company, or (ii) two (2) years.

11. Remedies. The Company agrees that any violation or threatened violation of this Agreement may cause irreparable injury to TWC, entitling TWC to seek injunctive relief in addition to all legal remedies.

12. Indemnification. The Company agrees to indemnify TWC and hold them harmless from any liability, loss, cost or expense, including reasonable attorney's fees and expenses that shall result from or arise out of any breach of this Agreement by the Company, and any of the Company's employees or representatives.

13. Miscellaneous. This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. This Agreement shall be governed by the laws of the State of California, without reference to conflict of laws principles. This document contains the entire agreement between the parties with respect to the subject matter hereof, and neither party shall have any obligation, express or implied by law, with respect to trade secret or proprietary information of the other party except as set forth herein. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto.

THE WALKING COMPANY, a California corporation

By: _____
Name: _____
Its: _____

[COMPANY

By: _____
Name: _____
Its: _____