

2015 Summary Annual Reports

To the Participants in any of the following Employee Benefits Plans:

- Payless ShoeSource, Inc. Medical and Dental Plan
- Payless ShoeSource, Inc. Life & Disability Insurance Plan
- Payless ShoeSource, Inc. Severance Plan

The following material, along with this cover letter, comprises what is known as the Summary Annual Report for the above listed Employee Benefit Plans of Payless ShoeSource, Inc. and its subsidiaries. Each year an Annual Report is filed with the Employee Benefits Security Administration for each of these plans. This booklet is intended to summarize the contents of these reports.

We encourage all Associates to take the time to read this material.

Sincerely,

Betty Click

Senior Vice President, Human Resources-Payless ShoeSource

Payless Shoesource, Inc. Medical and Dental Plan

This is a summary of the annual report of the Payless Shoesource, Inc. Medical and Dental Plan, EIN 48-0674097, Plan Number 551, health, dental, vision, employee assistance program for the plan year January 1, 2015 through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has insurance contracts with HMSA - Bluecross Blueshield of Hawaii, Kaiser Foundation Health Plan Inc., Triple S Salud, Inc., TakeCare, Aetna Life Insurance Co., UnitedHealthCare of California, Vision Service Plan, Metropolitan Life Insurance Company, Health Net, Delta Dental of Kansas, Inc., Safeguard Health Plans, Inc., a Florida Corporation, Combined Insurance Company of America, Safeguard Health Plans, Inc., a California Corporation, Safeguard Health Plans, Inc., a Texas Corporation, Dean Health Plan Inc., Kaiser Foundation Health Plan of Colorado, Kaiser Foundation Health Plan of Georgia, Kaiser Foundation Health Plan of the Mid-Atlantic and Fidelity Security Life Insurance Company to pay all health, dental, vision, organ and tissue transplant and teleconsulta claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2015 were \$12,718,091.

Because they are so called "experience-rated" contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2015, the premiums paid under such "experience-rated" contracts were \$434,845 and the total of all benefit claims paid under these experience-rated contracts during the plan year was \$320,726.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The item listed below is included in that report:

- Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the Payless Shoesource, Inc. at 3231 SE Sixth Avenue, Topeka, KS 66607-2207 and phone number, 785-233-5171. The charge to cover copying costs will be \$0.00 for the full annual report or any part thereof.

You also have the legally protected right to examine the annual report at the main office of the plan (Payless Shoesource, Inc. at 3231 SE Sixth Avenue, Topeka, KS 66607-2207) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT

For Payless ShoeSource, Inc. Life and Disability Plan

This is a summary of the annual report of the Payless ShoeSource, Inc. Life and Disability Plan, EIN 48-0674097, Plan No. 507, for period January 01, 2015 through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with Ace American Insurance Company, Life Insurance Company Of North America, Cigna Life Insurance Co Of Ny and Life Insurance Company Of North America to payclaims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2015 were \$1,948,496.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- financial information;
- insurance information, including sales commissions paid by insurance carriers;

To obtain a copy of the full annual report, or any part thereof, write or call the office of Payless ShoeSource, Inc. at 3231 SE Sixth Avenue, Topeka, KS 66607-2207, or by telephone at (785) 233-5171. The charge to cover copying costs will be \$0.00 for the full annual report, or \$0.00 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (Payless ShoeSource, Inc., 3231 SE Sixth Avenue, Topeka, KS 66607-2207) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT

For Payless ShoeSource, Inc. Severance Plan

This is a summary of the annual report of the Payless ShoeSource, Inc. Severance Plan, EIN 48-0674097, Plan No. 552, for period January 01, 2015 through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

To obtain a copy of the full annual report, or any part thereof, write or call the office of Payless ShoeSource, Inc. at 3231 SE 6th Avenue, Topeka, KS 66607, or by telephone at (785) 233-5171. The charge to cover copying costs will be \$0.00 for the full annual report, or \$0.00 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report

You also have the legally protected right to examine the annual report at the main office of the plan (Payless ShoeSource, Inc., 3231 SE 6th Avenue, Topeka, KS 66607) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.