

***THE PAYLESS SHOESOURCE
ADOPTION ASSISTANCE PLAN***

Summary

2018

ADOPTION ASSISTANCE PLAN SUMMARY

This summary has been designed as a “plain talk” guide to the Payless ShoeSource, Inc. Adoption Assistance Plan (the “Plan”). Regular Full-time Associates of Payless ShoeSource, Inc. and its affiliates adopting the Plan are eligible to receive adoption assistance benefits under the Plan. The eligible employers listed above and offering this benefit are sometimes individually or collectively referred to herein as the “Company”.

This summary describes the adoption assistance benefits offered under the Plan, in a manner which is easier to understand than the legal documents which describe the full provisions of the Plan. Every effort has been made to include the important features and to be as accurate as possible, but if we have inadvertently omitted a benefit of the Plan in this summary or in describing such benefits under the Plan, stated something which conflicts with the text of the legal documents, the legal documents must, of course, govern.

Eligibility

All regular Full-time Associates of the Company, including seasonal associates at the Eastern Distribution Center, are eligible to receive adoption assistance benefits for any adoption completed after such associate has been employed by the Company or its affiliates for at least six (6) months of consecutive employment.

Adoption Assistance Plan Benefits

You do not have to enroll for coverage under the Plan. You may file a claim after you incur “*Qualified Adoption Expenses*”. To receive reimbursement for “*Qualified Adoption Expenses*”, your claim must be received no later than six (6) months following the date the adoption is finalized.

Qualified Adoption Expenses Covered Under the Plan

The following expenses are considered “*Qualified Adoption Expenses*” under the Plan when reasonable, necessary and directly related to the principal purpose of the adoption of an “*Eligible Child*” and incurred while eligible to participate in the Plan:

- Legal expenses
- Court fees
- Adoption agency fees, including foreign adoption fees
- Pregnancy expenses for the birth mother, if not covered by another source
- Temporary foster care expenses
- Medical examination fees for the child, if required and not covered by another source
- Transportation fees to bring the child to the adoptive parents
- Transportation expenses for the adoptive parents, including meals and lodging

If you have any concerns regarding a specific expense, please contact the Corporate HR Benefits Team. For purposes of the Plan and this summary, an Eligible Child is an individual who, at the time the adoption expenses are incurred, is either under the age of 18 or is physically or mentally incapable of caring for himself or herself. You may be reimbursed **up to \$2,000** in

Qualified Adoption Expenses per adopted child that are not covered by another source. If necessary by the Plan to satisfy legal requirements, the benefits available under the Plan may be limited. Absent the special limitations identified above, there is no annual or lifetime limit to the amount of reimbursement you may receive. Reimbursement is non-taxable for federal income tax purposes but is subject to all applicable withholdings. Reimbursement may be made only after the child has been placed in your home and the adoption has become final. An adoption is considered final under the Plan when a court in the United States has issued an adoption decree, or similar documentation has been received following a foreign adoption. If both parents are employed by the Company, only one may file for adoption benefits. Once you have a certified copy of the adoption decree (or other foreign adoption documentation), follow the steps outlined in the claims section below to file a claim for reimbursement of Qualified Adoption Expenses. Claims must be properly received by the Plan Administrator within six (6) months following the date the adoption is final or such claims will not be processed.

The Company may discontinue this Plan and/or all similar benefit Plans at any time. Your entitlement to benefits automatically ends on the date that the Plan is terminated. In accordance with Plan terms, the Company will still pay claims for Qualified Adoption Expenses that you incur during your eligibility period and prior to the effective date of the termination of the Plan. However, once the Plan is terminated, Payless ShoeSource will not reimburse you for expenses incurred after the effective date of the Plan's termination.

Expenses Which are NOT Covered Under the Plan

The following charges are not eligible for reimbursement under the Plan:

- Expenses for the adoption of a spouse's or domestic partner's child(ren)
- Medical examination fees for the adopting parents
- Cost of personal items such as clothing, food, etc., for either parents or child(ren)
- Expenses incurred while you were not an associate of the Company or its affiliates
- Expenses incurred in carrying out any surrogate parenting arrangement
- Expenses incurred in violation of Federal or state law

If you have any concerns regarding a specific expense, please contact the Corporate Benefits Department.

How to File a Claim for Reimbursement

To process a request for reimbursement, the following documentation is required:

- A completed reimbursement claim form.
- A certified copy of the adoption decree and birth certificate.
- Bills, invoices, receipts, canceled checks or other statements showing the amounts and the incurred date of the expenses.
- Additional documentation may be requested in order to substantiate that expenses are eligible for reimbursement under the IRS guidelines.

Send the above documentation to the following address:

Payless ShoeSource
Attn.: Corporate HR Benefits Team
3231 SE Sixth Avenue
Topeka, KS 66607-2207

REMEMBER: No benefit will be reimbursed unless a written claim for reimbursement and proper documentation is provided to the Corporate Benefits Department within six (6) months following the date the adoption is final.

If a claim for benefits is denied in whole or in part, you or your authorized legal representative will receive written notification within ninety (90) days of when the Plan Administrator receives the claim (subject to extension by the Plan Administrator under special circumstances). The notification will include the reason(s) for denial with reference to the specific Plan provisions on which the denial is based, a description of any additional information needed to process the claim, and an explanation of the claim review procedures. Should this happen, or if you believe the amount of your benefit payment is wrong, you may contact the Plan Administrator to review the reason for denial. You also may appeal the Plan Administrator's decision through the Corporate Benefits Department. Within sixty (60) days of receiving your final denial from the Plan Administrator, you may submit a written request asking that the Corporate HR Benefits Team reconsider your claim. Your request should be sent to the Corporate HR Benefits Team-Appeals, 3231 SE Sixth Avenue, Topeka, KS 66607-2207. If you believe there is an error in your benefit amount, your request for reconsideration must include the reason(s) for which you believe there is an error, and, whenever possible, copies of any documents or records that support your appeal. You or your legal representative has the right to review pertinent documents affecting your claim and to submit additional information or comments. Your claim will be thoroughly reconsidered after your request is received. Within sixty (60) days of the Corporate HR Benefits Team's receipt of your appeal (subject to extension under special circumstances), you will receive a written response to your appeal. This response will explain the reason(s) for the decision and refer to the specific Plan provisions that are the basis for that decision. The decision upon review is final and conclusive.

ERISA RIGHTS STATEMENT

PARTICIPANTS' RIGHTS

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is normally required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If the Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should

pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

GENERAL INFORMATION

ERISA COMPLIANCE INFORMATION

Plan Name and Number

The Payless Shoesource, Inc. (PN 504)

Employer/Plan Sponsor

Payless ShoeSource, Inc. and its affiliates adopting the Plan.

Identification Number

Employer Tax ID No.: 48-0674097

Address

Payless ShoeSource
Corporate HR Benefits Team
3231 SE Sixth Avenue
Topeka, KS 66607-2207

Type of plan

This is an Employee Welfare Benefit Plan providing adoption assistance benefits.

Type of Administration

The Employer administers the Plan except insofar as authority to administer the Plan has been delegated to others.

Plan Administrator

Payless ShoeSource, Inc.
Corporate HR Benefits Team
3231 SE Sixth Avenue
Topeka, KS 66607-2207
(785) 233-5171

Agent for Service of Legal Process

The Plan Administrator

Plan Year

January 1st to December 31st.

Plan Records

The Plan's records are kept on a Plan Year basis.

Plan Funding

The benefits provided under the Plan are provided solely from the general assets of Payless ShoeSource and participating affiliates. No associate contributions are required.

Fiduciary Discretion

Decisions, determinations or interpretations with respect to the Plan by a person or entity acting as a fiduciary (as that term is defined by ERISA) under the Plan shall be in that fiduciary's sole and absolute discretion. All such discretionary decisions, determinations and interpretations made by that fiduciary will be final and conclusive for any and all purposes.

Termination or Amendment of Plan

While the Plan Sponsor intends to maintain the Plan for an indefinite period, the Plan Sponsor reserves the right to terminate the Plan at will or amend the Plan at any time with respect to any or all Plan members, including without limitation, retirees, survivors and those participating through them. This right is subject to the provisions of the Plan document and applicable law and the provision that no termination or amendment shall impair any claim incurred as of the date of the amendment or termination.

The Plan may be amended either in whole or in part by written amendment, or by other written record signed by an appropriate officer, as determined in accordance with Payless ShoeSource's policies and procedures.