Research Circular #RS12-522

DATE: October 9, 2012
TO: Permit Holders
FROM: Scott Speer

RE: **Collective Brands, Inc. ("PSS") Merger COMPLETED with Wolverine World Wide, Inc. – Cash Settlement**

Shareholders of Collective Brands, Inc. ("PSS") voted on Tuesday, August 21, 2012, and approved a proposed Merger between PSS and Wolverine Sub, an entity formed by Blum Strategic Partners IV, L.P., Golden Gate Capital Opportunity Fund, L.P. and Open Water Ventures, LLC, which is a wholly owned subsidiary of Wolverine World Wide, Inc. Pursuant to the terms of the Merger, each share of PSS Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **$21.75 cash**, without interest, per PSS share. **The Merger became effective prior to the open of business today, Tuesday, October 9, 2012.**

Contract Adjustment

Pursuant to Article VI, Section 11 and 11A of The Options Clearing Corporation's By-Laws, all outstanding PSS options shall be adjusted as follows. **As of Tuesday, October 9, 2012, each Collective Brands, Inc. contract will be adjusted to require, upon exercise, the per-contract delivery or receipt of $2,175.00 in cash.** Strike prices will remain the same, and the option symbol will remain **PSS**. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Please be aware that trading in the adjusted PSS options will be suspended as of Tuesday, October 10, 2012. There are no restrictions on the exercise of the adjusted PSS options.

Acceleration of Expirations

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to an acceleration of the expiration dates for outstanding option series.

All series of Collective Brands, Inc. options whose expiration dates are after October 20, 2012 will have their expiration dates advanced to Saturday, October 20, 2012. Expiration dates occurring before October 20, 2012 (e.g., Flex options) will remain unchanged.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

http://www.cboe.com/ContractAdjustments