

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., 9370-2751 QUÉBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., 9845488 CANADA INC., INITIUM TRADING AND SOURCING CORP., SEARS FLOOR COVERING CENTRES INC., 173470 CANADA INC., 2497089 ONTARIO INC., 6988741 CANADA INC., 10011711 CANADA INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD., 4201531 CANADA INC., 168886 CANADA INC., AND 3339611 CANADA INC.

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### CREDITOR PROXY

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**Before completing this proxy, please read carefully the accompanying "Instructions For Completion of Proxy".**

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the joint plan of compromise and arrangement of Sears Canada Inc. and certain of its affiliates (collectively, the "**Sears Canada Entities**")<sup>1</sup> dated February 15, 2019 (as may be amended, restated, supplemented, or amended and restated from time to time, the "**Plan**") filed pursuant to the *Companies' Creditors Arrangement Act* with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") or in the meetings order granted by the Court on February 15, 2019 (the "**Meetings Order**").

**THIS FORM OF PROXY IS FOR USE BY ALL CREDITORS.** In accordance with the Plan and the Meetings Order, this proxy may only be filed by Affected Unsecured Creditors having a Voting Claim or an Unresolved Voting Claim ("**Eligible Voting Creditors**") in respect of the Sears Canada Entities other than 9370-2571 Québec Inc. (formerly Corbeil Électrique Inc.).

**PROXIES, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT BY EMAIL TO THE MONITOR, OR IF NOT BY EMAIL, DELIVERED TO THE MONITOR, IN ALL CASES SO THAT THEY ARE RECEIVED BY NO LATER THAN 5:00 P.M. (TORONTO TIME) ON MARCH 21, 2019.**

THE UNDERSIGNED ELIGIBLE VOTING CREDITOR hereby revokes all proxies previously given, if any, and nominates, constitutes and appoints Mr. Paul Bishop of FTI Consulting Canada Inc. in its capacity Monitor of the Sears Canada Entities, or such other Person as he, in his sole discretion, may designate, or, instead of the foregoing, appoints:

\_\_\_\_\_  
Print name of proxy holder, if wishing to appoint  
someone other than Mr. Paul Bishop

to attend on behalf of and act for the undersigned Eligible Voting Creditor at the applicable Meeting(s) to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting(s), and to vote the dollar value of the Eligible Voting Claim(s) of the undersigned for voting purposes as determined by and accepted for voting purposes in accordance with the Meetings Order and as set out in the Plan as follows:

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<sup>1</sup> The "**Sears Canada Entities**" are Sears Canada Inc., The Cut Inc., Sears Contact Services Inc., Initium Logistics Services Inc., 9845488 Canada Inc. (formerly "Initium Commerce Lab Inc."), Initium Trading and Sourcing Corp., Sears Floor Covering Centres Inc., 173470 Canada Inc., 2497089 Ontario Inc., 6988741 Canada Inc., 10011711 Canada Inc., 1592580 Ontario Limited, 955041 Alberta Ltd., 4201531 Canada Inc., 3339611 Canada Inc., SearsConnect, 191020 Canada Inc., 168886 Canada Inc. and 9370-2571 Québec Inc.

**VOTE**  
(mark one only):

**FOR** ☐

**APPROVAL OF THE PLAN**

**AGAINST** ☐

The nominee shall vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Affected Unsecured Creditor with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the applicable Meeting or any adjournment, postponement or other rescheduling of such Meeting.

**In absence of instruction to vote for or against the approval of the resolution to approve the Plan, any duly signed and returned proxy shall be deemed to include instructions to vote for the approval of the resolution to approve the Plan, provided the proxy holder does not otherwise exercise its right to vote at the applicable Meeting.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Print Name of Sears Canada Entity the Eligible  
Voting Claim is held against

\_\_\_\_\_  
Claim Reference Number (if known further to a  
Notice of Revision or Disallowance sent to you by  
the Monitor)

\_\_\_\_\_  
Print Name of Eligible Voting Creditor

\_\_\_\_\_  
Print name and title of the authorized signing  
officer of the corporation, partnership or trust, if  
applicable signing this form

\_\_\_\_\_  
Signature of Eligible Voting Creditor or, if such  
creditor is a corporation, partnership or trust,  
signature of an authorized signing officer of the  
corporation, partnership or trust

\_\_\_\_\_  
Telephone number of Eligible Voting Creditor or  
authorized signing officer

\_\_\_\_\_  
Mailing Address of Eligible Voting Creditor

\_\_\_\_\_  
E-mail address of Eligible Voting Creditor

\_\_\_\_\_  
Print Name of Witness

\_\_\_\_\_  
Signature of Witness

### **INSTRUCTIONS FOR COMPLETION OF PROXY**

1. This proxy should be read in conjunction with the joint plan of compromise and arrangement of Sears Canada Inc. and certain of its affiliates (collectively, the “**Sears Canada Entities**”) dated February 15, 2019 (as may be amended, restated, supplemented, or amended and restated from time to time, the “**Plan**”) filed pursuant to the *Companies’ Creditors Arrangement Act* with the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) and in connection with the meetings order granted by the Court on February 15, 2019 (the “**Meetings Order**”). Capitalized terms used herein that are not otherwise defined herein shall have the meanings ascribed to them in the Plan or Meetings Order.
2. Each Eligible Voting Creditor has the right to appoint as his or her proxy a person (who need not be a Creditor) to attend, act and vote for and on behalf of such Eligible Voting Creditor at the applicable Meeting, and such right may be exercised by inserting the name of the proxy holder in the blank space provided on the proxy.
3. If no name is inserted in the blank space provided in this proxy, the Eligible Voting Creditor will be deemed to have appointed Mr. Paul Bishop of FTI Consulting Canada Inc., in its capacity as Monitor or such other Person as he, in his sole discretion may designate, as the Eligible Voting Creditor's proxy holder.
4. An Eligible Voting Creditor who has given a proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by delivering written notice to the Monitor at the contact details set out below so that it is received prior to 5:00 pm. (Toronto time) on March 21, 2019 (the “**Proxy Deadline**”).
5. If this proxy is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Monitor.
6. A valid proxy from the same Eligible Voting Creditor bearing or deemed to bear a later date shall revoke this proxy. If more than one valid proxy from the same Eligible Voting Creditor in the same capacity and bearing or deemed to bear the same date are received with conflicting instructions, such proxies shall not be counted for the purposes of the vote.
7. This proxy confers discretionary authority upon the proxy holder with respect to amendments or variations to matters identified in the Notice of Meetings and Sanction Hearing and other matters that may properly come before the applicable Meeting or any adjournment or postponement of the applicable Meeting.
8. The proxy holder shall vote the Voting Claim or Unresolved Voting Claim of the Eligible Voting Creditor in accordance with the direction of the Eligible Voting Creditor appointing him or her on any ballot that may be called for at the applicable Meeting or any adjournment or postponement of such Meeting.

**IF AN ELIGIBLE VOTING CREDITOR SUBMITS THIS PROXY AND FAILS TO INDICATE ON THIS PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, AND MR. PAUL BISHOP OR HIS DESIGNATE IS APPOINTED AS PROXY HOLDER, THIS PROXY SHALL BE VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS OR SUPPLEMENTS THERETO.**

**IF AN ELIGIBLE VOTING CREDITOR SUBMITS THIS PROXY AND FAILS TO INDICATE ON THIS PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, AND APPOINTS A PROXY HOLDER OTHER THAN MR. PAUL BISHOP OR HIS DESIGNATE, THE PROXY HOLDER MAY VOTE ON THE PLAN AS HE OR SHE DETERMINES AT THE APPLICABLE MEETING.**

9. If the Eligible Voting Creditor is an individual, this proxy must be signed by the Eligible Voting Creditor or by a person duly authorized (by power of attorney) to sign on the Eligible Voting Creditor's behalf. If the Eligible Voting Creditor is a corporation, partnership or trust, this proxy must be signed by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust or on behalf of another individual at a Meeting, you must have been appointed as a proxy holder by a duly completed proxy submitted to the Monitor by the Proxy Deadline. You may be required to provide documentation evidencing your power and authority to sign this proxy.
10. **A PROXY, ONCE DULY COMPLETED, DATED AND SIGNED, MUST BE SENT BY EMAIL, OR IF IT CANNOT BE SENT BY EMAIL, DELIVERED, TO THE MONITOR IN EACH CASE SO THAT IT IS RECEIVED BY NO LATER THAN THE PROXY DEADLINE OF 5:00 P.M. (TORONTO TIME) ON March 21, 2019.**

By email: [searscanada@fticonsulting.com](mailto:searscanada@fticonsulting.com)

By mail, courier, or fax: FTI Consulting Canada Inc., as Monitor of the Sears Canada Entities  
TD South Tower  
79 Wellington Street West, Suite 2010, P.O. Box 104  
Toronto, Ontario M5K 1G8  
Attention: Elizabeth Pearson

11. The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed by the Meetings Order.