

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 QUEBEC INC.,
191020 CANADA INC., THE CUT INC., SEARS CONTACT
SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM
COMMERCE LABS 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.

(each an "**Applicant**", and collectively, the "**Applicants**")

MOTION RECORD

**(Motion amending the November 7, 2017 Order appointing the Retiree Committee for the
RCA Trust, returnable January 15, 2019)**

January 11, 2019

KOSKIE MINSKY LLP

20 Queen Street West, Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSUC# 31885W)

Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Amy Tang (LSUC #70164K)

Tel: 416-542-6296 / Fax: 416-204-4936
Email: atang@kmlaw.ca

Representative Counsel for the Retirees of
Sears Canada

TABLE OF CONTENTS

TAB	DESCRIPTION	PAGE NOS.
1.	Notice of Motion dated January 11, 2019	1-7
2.	Affidavit of Ken Eady sworn January 11, 2019	8-13
3.	Draft Order	14-20

TAB 1

Court File No.: CV-17-11846-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 QUEBEC INC.,
191020 CANADA INC., THE CUT INC., SEARS CONTACT
SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM
COMMERCE LABS 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.

(each an "**Applicant**", and collectively, the "**Applicants**")

NOTICE OF MOTION

**(Motion amending the November 7, 2017 Order appointing the Retiree Committee for the
RCA Trust, returnable January 15, 2019)**

Representative Counsel to the Representatives of employees and retirees of the Applicants with pension and post-retirement benefit entitlements will make a motion to a Judge presiding over the Commercial List on January 15, 2019 at 10:00 am, or as soon after that time as the Motion can be heard at the courthouse, 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion shall be heard orally.

THIS MOTION IS FOR:

1. **AN ORDER** amending paragraph 2 of the Order of November 7, 2017 (the "**Retiree Committee Order**") by deleting Brent Hollister, effective October 25, 2018;
2. **AN ORDER** amending the Retiree Committee Order, by adding the following after paragraph 6:
 - 6(A) **THIS COURT ORDERS** that (i) the Retiree Committee is authorized to issue instructions to the investment manager(s) that are investing the funds in the RCA Trust to liquidate such investments that they designate in their discretion and in amounts that are required to pay the monthly supplemental pension benefits from the RCA Trust to its beneficiaries and the reasonable administrative costs of the Trustee of the RCA Trust and (ii) individual Retiree Committee Members shall have no personal liability as a result of the Retirement Committee issuing such instructions, save and except for any claim based on gross negligence or wilful misconduct on their part.
3. **AN ORDER**, if necessary, abridging and validating the time for service of this motion and dispensing with service on any person other than those served; and
4. Such further and other relief as counsel may request and as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:***The Sears Canada Inc. Supplementary Retirement Plan***

1. On March 29, 1974, Sears Canada Inc. ("**Sears Canada**") established the Supplementary Retirement Plan ("**SRP**") to pay monthly supplemental pension benefits ("**SRP Benefits**") to certain employees on their retirement in an amount in excess of the pension benefits that are paid

under the Sears Canada Inc. Registered Retirement Plan ("**Sears Canada Plan**"). The amounts of the monthly benefits from the Sears Canada Plan are subject to maximum limits under the *Income Tax Act* (Canada).

2. In 2006, Sears Canada established the Retirement Compensation Arrangement (the "**RCA Trust**") as a separate trust fund to pay the SRP Benefits. The RCA is a "retirement compensation arrangement" under subsection 248(1) of the *Income Tax Act* (Canada) ("**RCA**"). Sears Canada made contributions to the RCA Trust based on the advice of its actuary.

3. In 2006, Sears Canada entered into a Trust Agreement with Royal Trust Corporation of Canada as the custodial trustee with respect to the funds for the RCA (the "**Royal Trust Agreement**").

4. Eligible Sears Canada retirees whose active employment with Sears Canada ended prior to January 1, 2010 are paid their SRP Benefits from the RCA Trust. There are approximately 97 individuals who are entitled to SRP Benefits from the RCA Trust. There are approximately 4 retirees who are entitled to SRP Benefits but who are not paid their benefits from the RCA Trust.

5. In 2012, Sears Canada replaced Royal Trust as the trustee of the RCA Trust with a new trustee, CIBC Mellon Trust Company ("**CIBC Mellon**"). Sears Canada entered into a new trust agreement with CIBC Mellon (the "**CIBC Mellon Trust Agreement**") which, among other things, (i) provides for the appointment and duties of CIBC Mellon as the trustee and custodian of the fund; and (ii) replaces and supersedes the Royal Trust Agreement.

6. The assets of the RCA Trust are invested with two investment managers, BlackRock and Canso Investment Counsel Ltd. (the "**Investment Managers**").

Establishment of the Retiree Committee

7. On June 22, 2017, Sears Canada obtained protection from its creditors under the *Companies' Creditors Arrangement Act* ("CCAA").
8. On October 1, 2017, Sears Canada terminated its contractual obligations to all retirees who are entitled to SRP Benefits, and ceased making further contributions to the RCA Trust.
9. The RCA Trust is underfunded.
10. Sears Canada's CCAA filing constituted an "Event of Default" under the CIBC Mellon Trust Agreement. Once an "Event of Default" occurs, Sears Canada is no longer entitled to provide instructions and directions to CIBC Mellon. Therefore, by Order of the Court dated November 7, 2017, a Retiree Committee was formed and authorized to provide "Authorized Instructions" to CIBC Mellon.
11. Brent Hollister resigned as a member of the Retiree Committee as of October 25, 2018.

Shortfall in the RCA Trust Account and the need to liquidate certain Investments

12. To date, monthly SRP Benefits continue to be paid to retirees from the RCA Trust account currently held by CIBC Mellon.
13. Around December 24, 2018, CIBC Mellon advised the SRP Committee that the RCA Trust current account, from which the SRP Benefits are paid, had a shortfall of cash of approximately \$214,000.67 that is required to pay the SRP Benefits due in January, 2019. The shortfall was covered by cash advanced by CIBC Mellon so that full SRP Benefits could be paid in January, 2019 and this created an overdraft in the RCA Trust. Daily interest is being charged on the overdrawn amount.

14. To remedy the shortfall to repay CIBC Mellon the amount of the overdraft , as well as to ensure there are sufficient funds for the SRP Benefit payments due for the ensuing months, certain of the RCA Trust assets invested with the Investment Managers will need to be liquidated and deposited into the RCA Trust account.

15. Given the current circumstances of the Sears Canada CCAA proceeding, and the language of the CIBC Mellon Trust Agreement, the Retiree Committee believes, and Sears Canada does not dispute, that it is appropriate and necessary for the Retiree Committee to provide direction and instruction to the Investment Managers and/or CIBC Mellon to liquidate certain of the assets of the RCA Trust so that SRP Benefits can continue to be paid and that the overdraft can be repaid.

16. *Rules of Civil Procedure*, R.R.O. 1990, Reg 194, Rule 37.01.

17. *The Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, section 11.

18. Such further and other grounds as counsel may advise and of which this Honourable Court will permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- a) The Affidavit of Ken Eady, sworn on January 11, 2019;
- b) The Order of this Court dated November 7, 2017; and
- c) Such further and other evidence as counsel may advise and which this Honourable Court may permit.

- 6 -

January 11, 2019

KOSKIE MINSKY LLP

20 Queen Street West, Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay – LSUC No. 31885W

Tel: 416-595-2083 / Fax: 416-204-2872

Email: ahatnay@kmlaw.ca

Amy Tang (LSUC #70164K)

Tel: 416-542-6296 / Fax: 416-204-4936

Email: atang@kmlaw.ca

Representative Counsel to the Retirees of
Sears Canada

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

Court File No. CV-17-11846-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., 9370-2751 QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "Applicant", and collectively, the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

NOTICE OF MOTION

(Motion amending the November 7, 2017
Order appointing the Retiree Committee for
the RCA Trust, returnable January 15, 2019)

KOSKIE MINSKY LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSUC# 31885W)
Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Amy Tang (LSUC #70164K)
Tel: 416-542-6296 / Fax: 416-204-4936
Email: atang@kmlaw.ca

Representative Counsel for the Retirees of
Sears Canada

TAB 2

Court File No.: CV-17-11846-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "**Applicant**", and collectively, the "**Applicants**")

**AFFIDAVIT OF KEN EADY
(Sworn on January 11, 2019)**

I, **KEN EADY**, of the Town of Milton, in the Province of Ontario, **MAKE OATH AND SAY:**

My Background

1. I am a retiree of Sears Canada Inc. ("**Sears Canada**") and one of the court-appointed representatives to all non-unionized retirees and employees with pension and post-retirement benefits in this proceeding. I am also a member of the Retiree Committee for the funded Sears Canada Inc. Supplementary Retirement Plan,

established by Order of the Court dated November 7, 2017 (the "**Retiree Committee Order**"). As such, I have knowledge of the matters to which I hereinafter depose.

2. Where I make statements in this Affidavit which are not within my personal knowledge, I have indicated the source of that information and I believe such information to be true. To the extent that any of the information set out in this Affidavit is based on my review of documents, I verily believe the information to be true, unless otherwise stated.

3. I swear this Affidavit in support of a motion by Representative Counsel for an amendment to the Retiree Committee Order appointing the Retiree Committee, and for no improper purpose.

The SRP and RCA Trust

4. Sears Canada established the Sears Canada Inc. Supplementary Retirement Plan (the "**SRP**"), on March 29, 1974 to pay supplemental pension benefits to certain employees on their retirement in an amount in excess of the pension benefits ("**SRP Benefits**") that are paid under the registered pension plan, which are subject to maximum amounts as a result of the maximum pension benefit limits under the *Income Tax Act (Canada)*. For individuals entitled to an SRP Benefit and whose active service with Sears Canada ended prior to January 1, 2010, the SRP Benefit is paid to them from a Retirement Compensation Arrangement Trust fund (the "**RCA Trust**") established by Sears Canada in 2006 as a separate trust fund.

5. CIBC Mellon Trust Company ("**CIBC Mellon**") is the trustee and custodian of the RCA Trust pursuant to a Trust Agreement between Sears Canada and CIBC Mellon dated December 31, 2012 (the "**CIBC Mellon Trust Agreement**").

6. On October 1, 2017, Sears Canada terminated its contractual obligations to all retirees who are entitled to supplementary pension benefits under the SRP and ceased contributions to the RCA Trust.

Establishment of the Retiree Committee

7. The application by Sears Canada for CCAA protection on June 22, 2017 constituted an "Event of Default" under the terms of the CIBC Mellon Trust Agreement. The Retiree Committee was formed pursuant to the Retiree Committee Order to provide "Authorized Instructions" to CIBC Mellon as pursuant to the CIBC Mellon Trust Agreement, once an "Event of Default" occurs, Sears Canada is no longer entitled to provide instructions and directions to CIBC Mellon.

8. On November 7, 2017, I was appointed as one of the members of the Retiree Committee for the SRP.

9. In accordance with section 8.4 of the CIBC Mellon Trust Agreement, following an "Event of Default" as defined therein, the Retiree Committee is entitled to exercise all the rights of Sears Canada (to the exclusion of Sears Canada) which are conferred upon Sears Canada under the CIBC Mellon Trust Agreement.

10. Since its establishment, the Retiree Committee has held regular meetings with Representative Counsel, CIBC Mellon, and the actuary retained by the Representatives

to explore options for the future of the RCA Trust and the SRP Benefits payable to members from the trust.

11. On October 25, 2018, Brent Hollister, one of the Retiree Committee Members, resigned from the Retiree Committee for personal reasons.

12. To date, monthly SRP Benefits continue to be paid from a current RCA Trust account held by CIBC Mellon as the trustee.

Shortfall in the RCA Trust Account and the Need to Liquidate Certain Investments

13. On December 24, 2018, I received an email correspondence from CIBC Mellon advising that the RCA Trust current account, from which monthly supplemental benefits are paid, had a balance of \$52,366.34 at the end of December, 2018. As a result, there was a shortfall of cash of approximately \$214,000.67 to pay the monthly SRP Benefits in January, 2019 in the amount of \$266,372.01. The shortfall was covered by cash advanced by CIBC Mellon so that full SRP Benefits could be paid in January, 2019 and this created an overdraft in the RCA Trust. Daily interest is being charged on the overdrawn amount.

14. I am advised by CIBC Mellon that the assets of the RCA Trust are invested with two investment managers, BlackRock and Canso Investment Counsel Ltd., and that certain of the assets will need to be liquidated to repay CIBC Mellon the amount of the over draft, as well as to ensure there are sufficient funds for the SRP Benefit payments for the ensuing months.

15. Given the current circumstances and the language of the CIBC Mellon Trust Agreement, the Retiree Committee believes, and Sears Canada does not dispute that, it is appropriate and necessary for the Retiree Committee to provide direction and instruction to the investment managers and/or CIBC Mellon to liquidate certain of the assets of the RCA Trust so that monthly pension benefits can continue to be paid.

16. I make this affidavit in good faith and in support of a motion for an amendment to the Retiree Committee Order in respect of the RCA Trust and for no improper or other purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on January 11, 2019.


A Commissioner for taking Affidavits, etc.

LSO 70164K
AMY TANG


KEN EADY

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., 9370-2751 QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "Applicant", and collectively, the "Applicants")

ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST

Proceeding commenced at TORONTO

AFFIDAVIT OF KEN EADY
(SWORN ON JANUARY 11, 2019)

KOSKIE MINSKY LLP
20 Queen Street West, Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay – LSO No. 31885W
Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Mark Zigler – LSO No. 19757B
Tel: 416-595-2090 / Fax: 416-204-2877
Email: mzigler@kmlaw.ca

Representative Counsel for the Non-Unionized
Retirees and Non-Unionized Active and Former
Employees of the Sears Canada Entities

TAB 3

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and that further service thereof is hereby dispensed with.

2. **THIS COURT ORDERS** that paragraph 2 of the Order of November 7, 2017, as attached hereto as Schedule 'A' (the "**Retiree Committee Order**") is amended by deleting Brent Hollister, effective October 25, 2018.

3. **THIS COURT ORDERS** that the Retiree Committee Order is amended by adding the following after paragraph 6:

6(A) **THIS COURT ORDERS** that (i) the Retiree Committee is authorized to issue instructions to the investment manager(s) that are investing the funds in the RCA Trust to liquidate such investments that they designate in their discretion and in amounts that are required to pay the monthly supplemental pension benefits from the RCA Trust to its beneficiaries and the reasonable administrative costs of the Trustee of the RCA Trust and (ii) individual Retiree Committee Members shall have no personal liability as a result of the Retirement Committee issuing such instructions, save and except for any claim based on gross negligence or wilful misconduct on their part.

HAINY, J.

and counsel to such other parties as were present, and having read the consent of the Trustee (defined below) dated November 6, 2017.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and that further service thereof is hereby dispensed with.

SRP Retiree Committee

2. **THIS COURT ORDERS** that despite the terms of section 8.2 of the Amended and Restated Retirement Compensation Arrangement Trust Agreement (the "**RCA Trust Agreement**") between Sears Canada Inc. and CIBC Mellon Trust Company (the "**Trustee**") effective October 1, 2012, the Retiree Committee for the purposes of the RCA Trust Agreement is hereby established and composed of Brent Hollister, George Hughes, Larry Moore, Claude Sénéchal, William Turner, and Ken Eady (the "**Retiree Committee Members**"), subject to further order of the court.

3. **THIS COURT ORDERS** that any instructions from the Retiree Committee to the Trustee shall be communicated to the Trustee by Representative Counsel (Koskie Minsky LLP).

4. **THIS COURT ORDERS** that the Retiree Committee Members shall have no liability as a result of their appointment or the fulfilment of their duties, as such, save and except for any claims based on gross negligence or wilful misconduct on their part.

5. **THIS COURT ORDERS** that Representative Counsel, the Retiree Committee Members and the Trustee shall be at liberty and are authorized at any time to apply to this Court for advice and directions in the discharge or variation of their powers and duties hereunder, including with respect to the payment of costs, as the case may be.

6. **THIS COURT ORDERS** that the reasonable legal, actuarial, and financial advisor costs, as the case may be, of the RCA Trust beneficiaries as incurred by Representative Counsel, to the extent such costs are not paid due to the exceeding of the fee cap of the

Represented Parties in the applicable letter agreement between Sears Canada Inc. and Representative Counsel dated June 22, 2017, shall be paid out of the fund of the RCA Trust.

7. **THIS COURT ORDERS** that none of the Applicants shall have any liability, responsibilities or duties with respect to the RCA Trust or any actions taken by the Retiree Committee from and after the appointment of the Retiree Committee, however, despite the foregoing, Sears Canada Inc. shall reasonably cooperate with respect to providing information and data in its possession or under its control to Representative Counsel as may be required for the administration or wind up of the RCA Trust. If the consent of the administrator of the Sears Canada Pension Plan is required for the provision of such information to Representative Counsel, Sears Canada shall seek the consent of the administrator.


HAINEY, J.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

NOV 08 2017

PER / PAR: 

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., CORBEIL ÉLECTRIQUE INC., S.L.H. TRANSPORT INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "Applicant", and collectively, the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

ORDER

KOSKIE MINSKY LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSUC# 31885W)
Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Mark Zigler (LSUC #19757B)
Tel: 416.595.2090 / Fax: 416-204-2877
Email: mzigler@kmlaw.ca

Representative Counsel for the Retirees of
Sears Canada

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., 9370-2751 QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "Applicant", and collectively, the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

ORDER

KOSKIE MINSKY LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSUC# 31885W)
Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Mark Zigler (LSUC #19757B)
Tel: 416.595.2090 / Fax: 416-204-2877
Email: mzigler@kmlaw.ca

Representative Counsel for the Retirees of
Sears Canada

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

Court File No.: CV-17-11846-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., 9370-2751 QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS 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.

(each an "Applicant", and collectively, the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

MOTION RECORD

**(Motion amending the November 7, 2017 Order
appointing the Retiree Committee for the RCA Trust,
returnable January 15, 2019)**

KOSKIE MINSKY LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSUC# 31885W)
Tel: 416-595-2083 / Fax: 416-204-2872
Email: ahatnay@kmlaw.ca

Amy Tang (LSUC #70164K)
Tel: 416-542-6296 / Fax: 416-204-4936
Email: atang@kmlaw.ca

Representative Counsel for the Retirees of
Sears Canada