

**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 OF REPRESENTATIVE COUNSEL

**(Motion for approval of RCA Trust Distribution Sheet,
returnable April 19, 2022)**

April 12 2022

KOSKIE MINSKY LLP

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

Andrew J. Hatnay – LS# 31885W

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

Sydney Edmonds - LS# 79946K

sedmonds@kmlaw.ca
Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel to the Retirees of
Sears Canada

TO: The Service List

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
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NOTICE OF MOTION

(Motion for approval of RCA Trust Distribution Sheet, returnable April 19, 2022)

Representative Counsel to the employees and retirees of the Applicants with pension and post-retirement benefit entitlements will make a motion to Justice McEwen of the Ontario Superior Court of Justice (Commercial List) on Tuesday, April 19, 2022 at 9:30 a.m., or as soon after that time as the Motion can be heard, *via* Zoom video conference.

PROPOSED METHOD OF HEARING: The motion shall be heard *via* Zoom video conference, the details of which are attached as Schedule "A".

THIS MOTION IS FOR:

1. **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;
2. **AN ORDER** authorizing the Retiree Committee to direct The Segal Company to calculate the individual amounts to be distributed to each beneficiary of the RCA Trust by using the "Prescribed Annuity Method", as such phrase is described in the affidavit of actuary Genevieve Lussier, sworn April 12, 2022;
3. **AN ORDER** approving the Distribution Sheet contained in the Confidential Exhibit "B" to the affidavit of Genevieve Lussier sworn April 12, 2022 which sets out the individual amounts to be distributed to each beneficiary from the RCA Trust in substantially its form, the amounts therein subject to minor adjustments prior to the date of distribution by CIBC Mellon Trust as may be necessary to account for the amount of the assets in the fund, the payment of administrative costs from the fund, and the death of a beneficiary (the "**Adjustments**");
4. **AN ORDER** authorizing the Retiree Committee to issue a letter of direction to CIBC Mellon to proceed to wind up the RCA Trust and distribute all of its assets to the beneficiaries in the individual amounts set out in the Distribution Sheet, subject to the Adjustments;
5. **AN ORDER** authorizing CIBC Mellon to rely on the Distribution Sheet and the Adjustments and proceed with the termination of the RCA Trust and distribute all of the trust funds assets to the beneficiaries, and to pay all related administrative expenses from the fund of the RCA Trust;

6. **AN ORDER** directing that Confidential Exhibit "B" to the affidavit of Genevieve Lussier sworn April 12, 2022 containing the Distribution Sheet shall be sealed, kept confidential, and shall not form part of the public record, pending further Order of this Court; and
7. Such further and other relief as counsel may request and as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

1. On June 22, 2017, Sears Canada obtained protection from its creditors under the *Companies' Creditors Arrangement Act* ("**CCAA**").
2. Sears Canada did not restructure and proceeded to sell its assets, pursue litigation against certain parties (which have been settled) and prepared and is implementing a CCAA Plan of Compromise.

Background - The RCA Trust

3. One of the benefits that Sears Canada provided for certain of its employees was an unregistered supplemental pension plan entitled the Sears Canada Inc. Supplementary Retirement Plan (the "**Supplemental Plan**"). The Supplemental Plan paid a monthly pension benefit in addition to the benefits paid from registered Sears Canada pension plan. In order to fund the liabilities of the Supplemental Plan, Sears also set up a trust fund known as a Retirement Compensation Arrangement ("**RCA**") Trust to which it contributed funds so that the trust fund could pay the monthly benefits of the Supplemental Plan. The current custodian of the RCA Trust funds is CIBC Mellon Trust.

4. Following Sears Canada's application for CCAA protection, Sears Canada rescinded its obligations under the Supplemental Plan and ceased making further required contributions to the fund. Through Representative Counsel, the RCA Trust submitted an (unsecured) claim in the Sears CCAA Claims Process, and the trust has received a first distribution. The second and final distribution to all creditors was recently released at the rate of approximately 1.64 cents on the dollar of claims.

5. Following Sears Canada's rescission of its obligations to the Supplemental Plan and while it pursued the liquidation of its assets, certain eligible retirees who were members of the Supplemental Plan discussed options for the future of the RCA Trust. If the trust was terminated immediately and its assets distributed in lump sum payments to the beneficiaries, the payments would have attracted significant tax liabilities for the retirees, in addition to the immediate cessation of their monthly pension benefits, upon which retirees rely. An *ad hoc* Retiree Committee was formed which concluded that a better approach would be to continue operating the RCA Trust at the time so that it would pay the monthly benefits and avoid its immediate termination and the resulting tax consequences for the retirees.

6. Representative Counsel applied to the CCAA Court for orders creating an *ad hoc* Retiree Committee and to continue to operate the RCA Trust. The CCAA Court has issued three orders in respect of the RCA Trust.

7. The Retiree Committee has since been liaising with CIBC Mellon, and the RCA Trust has continued to operate successfully. All monthly benefits have continued to be paid in full,

consistent with the original intention of the Supplemental Plan. In addition, the assets of the RCA Trust have earned positive investment returns.

8. Despite the positive outcome from the continuation of the RCA Trust, the Retiree Committee formed the view that it would be appropriate to proceed to terminate the RCA Trust, which the court approved in its order of December 16, 2021.

The Distribution Sheet for Beneficiaries

9. The next and final major step for the wind up of the RCA Trust is to distribute all of its assets to the beneficiaries and to then terminate the trust. In order to do so, an actuarial calculation is required to appropriately allocate the funds in the trust to each of the beneficiaries on a pro rata basis with reference to each beneficiary's pension entitlement.

10. The actuary retained by Representative Counsel (The Segal Company; "**Segal**") has advised the Committee that the actuarial calculations for the distributions to the beneficiaries of all the assets in the RCA Trust be done in accordance with the "Group Annuity Method", as explained in the affidavit of Genevieve Lussier, sworn April 12, 2022, herein, and Segal has asked the Committee to direct it to use the Group Annuity Method.

11. The preliminary individual allocations are recorded in the Distribution Sheet attached as a confidential exhibit to the affidavit of Genevieve Lussier sworn April 12, 2022, herein.

12. Assuming the Distribution Sheet is approved by the court as requested in this motion, and after the Adjustments are applied, the Distribution Sheet will then be given to CIBC Mellon Trust

with a direction from the Committee to prepare and make the distribution payments to beneficiaries, subject to applicable withholdings.

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

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

15. 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 William Turner, sworn April 12, 2022, with exhibits;
- b) The Affidavit of Genevieve Lussier, sworn April 12, 2022, with exhibits;
- c) The Order of Justice Hainey dated November 7, 2017;
- d) The Amended RCA Trust Order of Justice Hainey dated January 15, 2019;
- e) The Order of Justice McEwen dated December 16, 2021; and
- f) Such further and other evidence as counsel may advise and which this Honourable Court may permit.

April 12, 2022

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

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel to the Retirees of
Sears Canada

SCHEDULE "A"

Zoom Video Conference Details to join the Motion

Join Zoom Meeting:

<https://us02web.zoom.us/j/86331630924?pwd=Wkt2SDI6dTRScDJEazJXUW52aXNzdz09>

Meeting ID: 863 3163 0924

Passcode: 065080

One tap mobile

+12042727920,,86331630924# Canada

+14388097799,,86331630924# Canada

Dial by your location

+1 204 272 7920 Canada

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 778 907 2071 Canada

+1 780 666 0144 Canada

Meeting ID: 863 3163 0924

Find your local number: <https://us02web.zoom.us/u/kq6bgdsqc>

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.

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

Proceeding commenced at Toronto

**NOTICE OF MOTION
(Motion for approval of RCA Trust
Distribution Sheet, returnable April 19,
2022)**

KOSKIE MINSKY LLP

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

Andrew J. Hatnay - LS# 31885W

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

Email: ahatnay@kmlaw.ca

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel for the Retirees of
Sears Canada

TAB 2

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., 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**")

AFFIDAVIT OF WILLIAM TURNER
(Sworn on April 12 , 2022)

I, **WILLIAM TURNER**, of the City of Toronto, in the Province of Ontario,
MAKE OATH AND SAY:

1. I am a retiree of Sears Canada Inc. and a beneficiary of the Sears Canada Inc. Supplementary Retirement Plan (the "**SRP**" or the "**Plan**"). As such, I have knowledge of the matters to which I hereinafter depose.

2. I swear this Affidavit in support of a motion requesting the court to approve the amounts to be distributed to each of the beneficiaries of the RCA Trust (the "**Distribution Sheet**") on the wind up of the trust that have been calculated by the actuary retained by

Pension Representative Counsel in accordance with the Representative Counsel Order for Pensions and Post-Retirement Benefits dated July 13, 2017.

3. 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 the documents, I verily believe the information to be true, unless otherwise stated.

4. The court has issued three prior orders pertaining to the RCA Trust, the most recent one being on December 16, 2021 where the court, *inter alia*, authorized the wind up of the trust. Attached hereto as **Exhibit "A"** is a copy of the court order and endorsement of Justice McEwen dated December 16, 2021.

5. The next and final major step for the wind up of the RCA Trust is to distribute all of its assets to the beneficiaries and to then terminate the trust. In order to do so, an actuarial calculation is required to appropriately allocate the funds in the trust to each of the beneficiaries on a pro rata basis in accordance with each beneficiary's pension entitlement. The preliminary individual allocations are recorded in the Distribution Sheet attached as a confidential appendix to the affidavit of Segal actuary Genevieve Lussier sworn April 12, 2022, which is also included in the motion materials before the court.

6. The amounts in the Distribution Sheet will be subject to final adjustments just prior to the preparation of cheques to the beneficiaries to reflect the total amount available in the trust after adding any accrued interest income, deducting all administrative expenses, and removing any beneficiary who may die prior to the distribution, (and who will thus have received all of their pension benefits from the Supplemental Plan to the date of their death, and no longer be entitled to a distribution from the RCA Trust) (collectively, the "**Adjustments**").

7. Assuming the Distribution Sheet is approved by the court, and after the Adjustments are applied, it will then be given to CIBC Mellon Trust with a direction from

the Committee to prepare and make the distribution payments to beneficiaries, subject to applicable withholdings.

My Background

8. I am a retiree of Sears Canada and one of the Former Employee Representatives appointed by the Court in this proceeding. I started working at Simpsons-Sears Limited, the predecessor company of Sears Canada, in May 1966 as a Trainee in the Ottawa Carlingwood store and was transferred shortly thereafter to the company headquarters in Toronto, where I spent the balance of my 36-year career in merchandising. From 1992 to 1997, I served on the Board of Directors of Sears Canada. I retired from Sears Canada in 2002 as the President of Merchandising, Marketing, and Logistics.

9. After 36 years of service with Sears Canada, I am very familiar with the business of Sears Canada and the retail industry in general.

10. In 2009, I joined the original Sears Canada retiree group, SRG, which merged with another retiree group called ASCR in 2012 to collectively form the Store and Catalogue Retiree Group ("**SCRG**"). SCRГ is the organization of Sears Canada retirees with currently over 6,000 Sears retirees as members. The total Sears retiree population is over 18,000 individuals.

11. SCRГ was formed to protect pension benefits and health benefits of retired employees of Sears Canada. I have been actively involved with SCRГ since its formation, and I am currently the organization's President. Since inception, SCRГ has been working with Koskie Minsky LLP, who on June 22, 2017 was appointed by the court as the Representative Counsel for all retirees in the Sears Canada CCAA proceeding.

12. By order of this Honourable Court dated July 13, 2017, I together with Ken Eady and Larry Moore were appointed by the Court as representatives (the "**Representatives**") to represent the non-unionized retirees and former and active employees of the Applicant's and their beneficiaries for purposes of claims pertaining to pension matters and "other than pension employee benefits" ("**OPEBs**"). On June 22, 2017, Sears Canada obtained protection from its creditors under the *Companies' Creditors Arrangement Act* ("**CCAA**").

Sears Canada did not restructure and proceeded to sell its assets, pursue litigation against certain parties (which have been settled), and prepared and implement a CCAA Plan of Compromise.

The RCA Trust

13. For certain of its employees, Sears Canada provided an unregistered supplemental pension plan entitled the Sears Canada Inc. Supplementary Retirement Plan (the "**Supplemental Plan**"). The Supplemental Plan pays a monthly pension benefit in addition to the benefits paid from registered Sears Canada pension plan. In order to fund the liabilities of the Supplemental Plan, Sears also set up a trust fund known as a Retirement Compensation Arrangement ("**RCA**") Trust to which it contributed funds so that the trust fund could pay the monthly benefits of the Supplemental Plan. CIBC Mellon Trust currently serves as custodian of the RCA Trust funds.

14. After Sears Canada applied for CCAA protection, it rescinded its obligations under the Supplemental Plan and ceased making further required contributions to the RCA Trust. Through Representative Counsel, the RCA Trust submitted an (unsecured) claim in the Sears CCAA Claims Process, which was settled and accepted and the trust has received a first distribution. The second and final distribution has recently been released by the Monitor to all creditors, including the RCA Trust at the rate of 1.64 cents on the dollar of claims.

15. After Sears Canada rescinded its obligations to the Supplemental Plan and as it pursued the processes for liquidating its assets, a group of Supplemental Plan members, including myself, discussed options for the future of the RCA Trust. We determined that if the trust were terminated immediately and all its assets distributed in lump sum payments to beneficiaries, it would have attracted immediate tax consequences for all the retirees at the same time as the monthly pension benefits ceased. We concluded that a better approach would be to continue operating the RCA Trust to avoid its immediate termination and the resulting tax consequences its beneficiaries, and to continue the monthly benefits.

16. We directed Representative Counsel to apply to the CCAA Court for orders creating an *ad hoc* Retiree Committee and to continue to operate the RCA Trust . Attached hereto as **Exhibit "B"** and **Exhibit "C"** a copy of the Orders of Justice Hailey dated November 7, 2017 and January 15, 2019.

17. The Retiree Committee has been regularly liaising with CIBC Mellon, and we learned that the RCA Trust has continued to operate well since Justice Hailey issued the above-noted orders. It has continued to pay all benefits in full, as per the original intention of the Supplemental Pension Plan. Nevertheless, the Committee formed the view it is appropriate to proceed to terminate the RCA Trust. As I explained in my affidavit sworn on December 10, 2021 which was filed in support of the motion to terminate the RCA Trust, first, the Sears CCAA proceedings are nearly over, and the CCAA Monitor has been practically acting on behalf of Sears Canada for the remaining work that needs to be done on behalf of the corporation through the CCAA Plan Implementation. The second and final distribution of the Sears CCAA proceeds was made on April 8, 2022 and no further distributions are anticipated. Second, we are concerned that Committee members and their successors will not be able to continue overseeing the RCA Trust indefinitely. And have concerns over the longevity and succession of Committee members. Third, since the investment performance of the fund has been positive, I and the Committee believe this is an opportune time to proceed with the wind-up of trust.

18. In preparation for the distribution process, the Committee retained Lifeworks to perform a "life audit" for the beneficiary population of the trust fund which found that as of March 1, 2022, there were 84 beneficiaries still alive and receiving monthly benefits. 13 beneficiaries had died since the commencement of Sears Canada CCAA proceeding, having received full payment of their monthly entitlements to the date of their death.

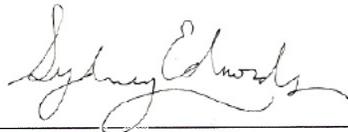
19. Representative Counsel has directed the actuary (The Segal Company) to prepare the Distribution Sheet. Additional details of the actuarial methodology used by Segal to calculate the individual amounts to be paid to each beneficiary are explained in the affidavit of Segal actuary, Genevieve Lussier, sworn April 12, 2022.

Court Sealing of the Distribution Sheet

20. The Distribution Sheet contains personal information of the names of each beneficiary and their proposed distribution amount. This information is private, does not affect any other creditor of Sears Canada, and should be sealed from being in the public court record by order of the Court.

21. This affidavit is sworn in support of the order for approval of the RCA Trust Distribution Sheet and for no other or improper purpose.

SWORN REMOTELY by William Turner of the City of Toronto, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on April 12, 2022, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely



A Commissioner for taking Affidavits, etc.

LSO #: 79946K



WILLIAM TURNER

This is **Exhibit "A"**

referred to in the Affidavit of William Turner
sworn before me this 12th day of April, 2022.

A handwritten signature in cursive script, appearing to read "Sydney Edwards".

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Sears Canada Inc Plaintiff(s)

AND

_____ Defendant(s)

Case Management Yes No by Judge: McEWENT

Counsel	Telephone No:	Facsimile No:
(see attached)		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: _____
- Time Table approved (as follows):

The order shall go as per the draft filed & signed, as attached. Even though the order sought is opposed counsel agreed to the Endorsement attached as Schedule A, which shall also go. The provisions of the Endorsement are fair and reasonable.

16 Dec 21
Date

McEwnt
Judge's Signature

Additional Pages _____

FINAL Version
ENDORSEMENT

The Pension Representative Counsel (PRC) has brought a motion today for two things, a) the wind up of the Retirement Compensation Arrangement ("RCA") of the Sears Supplemental Retirement Plan (the "RCA Trust Order"), and b) an amendment to the Representation Order dated July 13, 2017 (the "Amendment Order").

Some aspects of the Amendment Order are still under discussion between the parties in attendance on the motion. I am advised that, subject to the reservation of rights referenced below, there is no opposition to RCA Trust Order in the form attached, and I have signed it accordingly.

I further understand that the issue of the Amendment Order has been adjourned and shall be the subject of discussion amongst the parties and I have put the Amendment Order motion over to February 1, 2022 at 11 am in order that these discussions may occur.

The non-opposition to the issuance of the RCA Trust Order today is on a without prejudice basis to any party's position with respect to the Amendment Order on the return of the motion.

For greater clarity, the form of the RCA Trust order and the fact of its issuance in this CCAA proceeding shall not be taken as indicative of agreement or acknowledgment by any responding party in attendance (see list attached) that the order was necessary, or that the wind up of the RCA Trust is properly a part of the CCAA proceedings or that the costs of its wind up or any matter related thereto should therefore be considered to be properly part of this CCAA proceeding, and the parties have reserved all their rights to make argument on these issues.



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. Capitalized terms not otherwise defined have the meanings given to them in the affidavit of William Turner, sworn December 10, 2021.

RCA Trust

2. **THIS COURT ORDERS** that the Retiree Committee is authorized to proceed with the termination of the RCA Trust that funds the pension benefits payable from the Sears Supplemental Plan.

3. **THIS COURT ORDERS** that Representative Counsel and the Retiree Committee for the RCA Trust may rely and act upon the advice of Segal RogersCasey, an investment advisor, in respect of financial investment advice relating to the investment and liquidation of the funds in the RCA Trust during the termination process of the RCA Trust.

4. **THIS COURT ORDERS** that CIBC Mellon Trust Company (“**CIBC Mellon**”) and the Monitor are authorized to take the necessary steps to terminate the RCA Trust and file all necessary documentation in respect of its termination, and to distribute all of the assets in the RCA Trust to the eligible beneficiaries and/or their estates, as applicable, on the direction of the Retiree Committee.

5. **THIS COURT ORDERS** that none of past or present Retiree Committee members, namely, Bill Turner, Larry Moore, George Hughes, Claude Senechel, Ken Eady, and Brent Hollister, shall have any liability with respect to their appointment or the fulfilment of their duties including with respect to the termination of the RCA Trust, save and except for any claim based on gross negligence or wilful misconduct on their part.

6. **THIS COURT ORDERS** that CIBC Mellon shall have no liability with respect to the termination of the RCA Trust and implementing any directions of the Retiree Committee relating to the distribution of the assets to eligible beneficiaries and filing the necessary documentation except for any claim based on gross negligence or wilful misconduct on their part.

7. **THIS COURT ORDERS** that nothing herein shall restrict the Monitor's delivery of the CCAA Termination Certificate upon completion of the Remaining Matters (each as defined in the CCAA Termination Order dated October 25, 2021). Notwithstanding the CCAA Termination Time (as defined in the CCAA Termination Order dated October 25, 2021) and the discharge of the Monitor and the termination of these CCAA proceedings, FTI Consulting Canada Inc. shall have the authority to complete or address any matters that may be ancillary or incidental to these CCAA proceedings following the CCAA Termination Time, and in connection therewith FTI Consulting Canada Inc. shall continue to have the benefit of all approvals and protections in favour of the Monitor pursuant to the CCAA and all Orders made in these CCAA proceedings.



McEWEN, J.

Court File No. CV-17-11846-

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")

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

Proceeding commenced at Toronto

ORDER

(Motion re: termination of the RCA T and amendment to Representation Order returnable December 16, 2021)

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

Andrew J. Hatnay - LS# 31885W
Tel: 416-595-2083 / Fax: 416-204-287
Email: ahatnay@kmlaw.ca

Sydney Edmonds - LS#: 79946K
sedmonds@kmlaw.ca
Tel: (416) 595-2260 / Fax: (416) 204-

Representative Counsel for the Retirees
Sears Canada

Name of Person Appearing	Name of Party	Phone Number	Email Address
Evan Cobb, Norton Rose Fulbright Canada LLP	Monitor, FTI Consulting Canada Inc.	416.216.1929	evan.cobb@nortonrosefulbright.com
Andrew Hatnay, Koskie Minsky LLP	Representative Counsel for Active Employees and Retirees of Sears Canada Inc. with respect to certain pension matters.	416.595.2083	ahatnay@kmlaw.ca
Susan Ursel and Natasha Abraham, Ursel Phillips Fellows Hopkinson LLP	Representative Counsel for Current and Former Employees	416.969.3515	sursel@upfhlaw.ca
Kiran Patel, Blake, Cassel & Graydon LLP	LifeWorks, in its capacity as Administrator for the Sears Canada Inc. Registered Retirement Plan	416.863.2205	Kiran.patel@blakes.com
Linda Galessiere, Camelino Galessiere LLP	20 VIC Management Inc. on behalf of OPB Realty Inc., Ivanhoe Cambridge Inc., Morguard Investments Limited, Crombie REIT, Triovest Realty Advisors Inc. HOOPP Realty Inc. and Cominar Real Estate Investment Trust	416.306.3827	lgalessiere@clegal.ca
Lily Harmer, Paliare Roland Rosenberg Rothstein LLP	Superintendent of Financial Services as Administrator of the Pension Benefits Guarantee Fund	416.646.4326	Lily.harmer@paliareroland.com

This is **Exhibit "B"**

referred to in the Affidavit of William Turner
sworn before me this 12th day of April, 2022.

A handwritten signature in cursive script, reading "Sydney Edwards". The signature is written in black ink and is positioned above a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

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:



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., 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

This is **Exhibit "C"**

referred to in the Affidavit of William Turner
sworn before me this 12th day of April, 2022.

A handwritten signature in cursive script, reading "Sydney Edwards". The signature is written in black ink and is positioned above a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

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



THE HONOURABLE JUSTICE HAINEY)
)
)

, THE 15th

DAY OF JANUARY, 2019

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**")

ORDER

THIS MOTION, made by Representative Counsel to the court-appointed Representatives of employees and retirees with respect to pensions and post-retirement benefits of the Applicants ("**Representative Counsel**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Ken Eady sworn January 11, 2019, and on hearing the submissions of Representative Counsel, the Monitor, and ~~counsel to such other parties as were present.~~

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 Retiree Committee issuing such instructions, save and except for any claim based on gross negligence or wilful misconduct on their part.


HAINEY, J.

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

JAN 15 2019

PER / PAR:



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: 

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

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.

Amy Tang – LSUC #70164K
Tel: 416-542-6296 / Fax: 416-204-4936
Email: atang@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., 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

**AFFIDAVIT OF WILLIAM TURNER
(SWORN ON APRIL 12, 2022)**

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

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel for the Retirees of Sears
Canada

TAB 3

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., 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**")

AFFIDAVIT OF GENEVIEVE LUSSIER
(Sworn on April 12, 2022)

I, **GENEVIEVE LUSSIER**, of the City of Montreal, in the Province of Quebec,
MAKE OATH AND SAY:

Background

1. The Segal Company ("**Segal**"), is a firm of consulting actuaries who are retained by Koskie Minsky LLP ("**Representative Counsel**") to provide actuarial advice in respect of the Sears retirees in the Sears Canada CCAA proceeding in accordance with the Representative Counsel Order for Pensions and Post-Retirement Benefits, dated July 13, 2017. Segal has considerable experience in actuarial benefits consulting for pensions, health benefits and related employee benefits plans.

My Credentials

2. I have been with The Segal Company for 20 years. I have had extensive involvement in the design and assessment of various employee benefit plans, including pension plans. I attach as “**Exhibit A**” to this my Affidavit a true copy of my Statement of Qualifications.

3. We have been instructed by Representative Counsel to prepare the actuarial calculations for the amounts to be distributed from the RCA Trust to each of the beneficiaries. We have advised the Retiree Committee that:

a) All members in the Sears Supplemental Retirement Plan (the "SRP"), which is funded by the RCA Trust, are retirees or beneficiaries who are in receipt of a monthly pension benefit. Therefore, the wind-up liability for each member should aim to match the amount they would need to purchase an annuity to replicate their monthly pension from an insurance company or financial institution.

b) Unlike group annuity purchases done by the administrator of a registered plan for groups of retirees, each beneficiary in the SRP would be assumed to act individually. That is, they would expect to take the amount received from the SRP to purchase the equal amount of their monthly pension. Since the money received is coming from a non-registered arrangement, they are only able to do so through the purchase of a Prescribed Annuity.

c) Prescribed Annuities takes into consideration the tax implications that the beneficiaries will face. Under the Prescribed Annuity Method, we would assume one tax assumption that would apply to all beneficiaries of the SRP. The Prescribed Annuity Method is the preferred approach to determine the wind-up settlement costs of the SRP.

4. Applying the methodology to the calculations, the RCA Trust remains in deficit on its wind up.

5. We have requested that the Committee provide a direction to Segal to apply the Prescribed Annuity Method.

6. Also attached hereto as confidential **Exhibit "B"** is the preliminary list of all beneficiaries and their approximate distribution amount payable to them from the RCA Trust on its wind up after applying the Prescribed Annuity Method (the "**Distribution Sheet**").
7. The amounts in the Distribution Sheet will be subject to final adjustments just prior to the preparation of cheques to the beneficiaries to reflect the total amount available in the trust after adding any accrued interest income, deducting all administrative expenses, and removing any beneficiary who may die prior to the distribution, (and who will thus have received all of their pension benefits from the Supplemental Plan to the date of their death, and no longer be entitled to a distribution from the RCA Trust) (collectively, the "**Adjustments**").
8. Assuming the Distribution Sheet is approved by the court, and after the Adjustments are applied, it will then be given to CIBC Mellon Trust with a direction from the Committee to prepare and make the distribution payments to beneficiaries, subject to applicable withholdings.
9. This affidavit is sworn in support of Representative Counsel's motion for approval of RCA Trust Distribution Sheet and related relief and for no other or improper purpose.

SWORN REMOTELY by Genevieve Lussier of the City of Montreal, in the Province of Quebec, before me in the City of Toronto, in the Province of Ontario, on April 12, 2022, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely


A Commissioner for taking Affidavits, etc.


GENEVIEVE LUSSIER

This is **Exhibit "A"**

referred to in the Affidavit of Genevieve Lussier
sworn before me this 12th day of April, 2022.

A handwritten signature in cursive script, appearing to read "Sydney Edwards". The signature is written in black ink and is positioned above a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

Geneviève Lussier, FCIA, FSA, MAAA

Vice President and Actuarial Manager, Montreal

Expertise

Ms. Lussier is a Vice President and Canadian Actuarial Manager, based in Segal's Montreal office, with over 20 years of employee benefit consulting experience. As the Actuarial Manager, Ms. Lussier coordinates all professional actuarial activities within Canada, including the marketing and delivery of actuarial client services. She is responsible for the quality of the services performed by the Actuarial Canadian Team.

As a consulting actuary, her expertise includes accounting valuations for pension and post-retirement benefit plans, pension plan funding actuarial valuations, risk analysis as well as pension and health plan design. She is familiar with a range of pensions accounting standards including those under U.S. GAAP, IFRS and ASPE.

Ms. Lussier has experience with expert witness reports generated for litigation purposes. Further, she has assisted and reviewed pension benefit and other than pension benefit claims resulting from the bankruptcy of companies such as Nortel, Sears, Stelco and Wabush Mines.

Ms. Lussier serves as a Client Relationship Manager for corporate clients that sponsor large and small Ontario and federally registered plans. She provides actuarial advice to several multiemployer pension plans. She also combines her extensive technical knowledge with the ability to communicate clearly and concisely in both French and English to develop comprehensive presentations and webinars for plan members.

Professional Background

Prior to Segal, Ms. Lussier worked for three top tier Canadian firms based in Ontario and Quebec, where she worked with corporate clients, multiemployer pension plans and public pension plans.

Education/Professional Designations

Ms. Lussier graduated from L'Université du Québec à Montréal with a BS in Actuarial Science. She is a Fellow of both the Canadian Institute of Actuaries and the Society of Actuaries and a member of the American Academy of Actuaries.

Publications/Speeches

Ms. Lussier frequently prepares presentations and webinars to assist in plan members' comprehension of a plan, its financial health or complex plan changes. Through her Nortel experience, she explained claims and wind-up process to retirees and other former members. She also participates in seminars and webinars focusing on plan sponsor issues, including plan governance and changes in regulations.

Geneviève Lussier, FCIA, FSA, MAAA
glussier@segalco.com
514.998.9821

This is **Exhibit "B"**

referred to in the Affidavit of Genevieve Lussier

sworn before me this 12th day of April, 2022.

A handwritten signature in cursive script, appearing to read "Sydney Edwards". The signature is written in black ink and is positioned above a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

EXHIBIT "B"

(CONFIDENTIAL – TO BE SEALED)

**RCA TRUST
DISTRIBUTION SHEET**

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., 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

**AFFIDAVIT OF GENEVIEVE LUSSIER
(SWORN ON APRIL 12, 2022)**

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

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel for the Retirees of Sears
Canada

TAB 4

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. Capitalized terms not otherwise defined have the meanings given to them in the affidavit of William Turner, sworn April 12, 2022.
2. **THIS COURT ORDERS** that the Retiree Committee is authorized to direct The Segal Company to calculate the individual amounts to be distributed to each beneficiary of the RCA Trust by using the "prescribed annuity method", as such phrase is described in the affidavit of Genevieve Lussier sworn April 12, 2022;
3. **THIS COURT ORDERS** that the Distribution Sheet contained in the Confidential Exhibit "B" to the affidavit of Genevieve Lussier sworn April 12, 2022 which sets out the individual amounts to be distributed to each beneficiary from the RCA Trust is approved in substantially its form, the amounts therein subject to minor adjustments prior to the date of distribution by CIBC Mellon Trust as may be necessary to account for the amount of the assets in the fund, the payment of administrative costs from the fund, and the death of a beneficiary prior (the "**Adjustments**");
4. **THIS COURT ORDERS** that the Retiree Committee is authorized to issue a letter of direction to CIBC Mellon to proceed to wind up the RCA Trust and distribute all of its assets to the beneficiaries in the individual amounts set out in the Distribution Sheet, subject to the Adjustments.
5. **THIS COURT ORDERS** that CIBC Mellon is authorized to rely on the Distribution Sheet and the Adjustments and proceed with the termination of the RCA Trust and distribute all of the trust funds assets to the beneficiaries, and to pay all related administrative expenses from the fund of the RCA Trust.
6. **THIS COURT ORDERS** that Confidential Exhibit "B" to the affidavit of Genevieve Lussier sworn April 12, 2022 containing the Distribution Sheet shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further Order of this Court.

7. **THIS COURT ORDERS** that none of past or present Retiree Committee members, namely, William Turner, Larry Moore, George Hughes, Claude Senechel, Ken Eady, and Brent Hollister, shall have any liability with respect to their appointment or the fulfilment of their duties including with respect to the termination of the RCA Trust including the distribution of the assets of the trust to the beneficiaries, save and except for any claim based on gross negligence or wilful misconduct on their part.

JUSTICE McEWEN

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

**ORDER
(Motion for approval of RCA Trust
Distribution Sheet, returnable April 19,
2022)**

KOSKIE MINSKY LLP

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

Andrew J. Hatnay - LS# 31885W

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

Email: ahatnay@kmlaw.ca

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

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.

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

Proceeding commenced at Toronto

**MOTION RECORD
(Motion for approval of RCA Trust
Distribution Sheet, returnable April 19,
2022)**

KOSKIE MINSKY LLP

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

Andrew J. Hatnay - LS# 31885W

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

Email: ahatnay@kmlaw.ca

Sydney Edmonds - LS#: 79946K

sedmonds@kmlaw.ca

Tel: (416) 595-2260 / Fax: (416) 204-4936

Representative Counsel for the Retirees of
Sears Canada