

**NOTICE OF CONSTRUCTION CLAIM
FOR CLAIMS AGAINST THE SEARS CANADA ENTITIES AND/OR THEIR
DIRECTORS AND OFFICERS**

TO: [INSERT NAME AND ADDRESS OF CONSTRUCTION CONTRACTOR AND/OR ITS COUNSEL]

RE:

Claim Reference Number:	
General Description of improvement including Project / Store Location:	
If applicable, Preservation and Perfection Dates (with registration nos.):	
If applicable, Amount of Lien(s) registered on title:	

This notice is issued pursuant to the Claims Process for, among other things, identifying and determining all Construction Claims against the Sears Canada Entities¹ and/or their respective Directors and Officers, which was approved by the Order of the Ontario Superior Court of Justice (Commercial List) in the *Companies' Creditors Arrangement Act* proceedings of the Sears Canada Entities on December 8, 2017 (the "**Claims Procedure Order**"). Capitalized terms not defined herein have the meanings ascribed to them in the Claims Procedure Order. A copy of the Claims Procedure Order can be obtained from the website of FTI Consulting Canada Inc., the Court-appointed Monitor of the Sears Canada Entities (the "**Monitor**"), at cfcanada.fticonsulting.com/searscanada/.

According to the books, records and other relevant information in the possession of the Sears Canada Entities, the Construction Claim of the Construction Contractor, inclusive of Construction Claims of any and all other Construction Claimants at any level in connection with the relevant improvement, is set out in the table below. Note that the term "Construction Claim" also includes any D&O Claim(s) relating thereto.

¹ The "Sears Canada Entities" are 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., 3339611 Canada Inc., and SearsConnect.

Specific Debtor	Amount	Type of Construction Claim				
		Against a Canada Entity under provisions applicable Provincial Legislation	Sears Trust of Lien	Against a Director or Officer under trust provisions of applicable Provincial Legislation	a or under Lien	Secured by registration of a builders' or construction lien, or by any security held in connection with a Vacated or Discharged Lien
	\$					
	\$					
	\$					
Total:	\$					

* Amount is in Canadian Dollars. All Construction Claims in an original currency other than Canadian Dollars are converted to Canadian Dollars using the Bank of Canada exchange rate on June 22, 2017.

If you, as the Construction Contractor on behalf of yourself and all Connected Sub-Contractors, agree that the foregoing determination accurately reflects the Construction Claim (including any D&O Claim(s) relating thereto), you are not required to respond to this Notice of Construction Claim. If there is *disagreement* with the determination of the Construction Claim as set out herein, **you must complete the enclosed Notice of Dispute of Construction Claim and deliver such executed Notice of Dispute of Construction Claim to the Monitor such that it is received by the Monitor by 5:00 p.m. (Toronto time) on February 15, 2018 (the "Construction Claims Bar Date").**

Please note that the Construction Claim as set out herein is deemed to include the Construction Claims of you as the Construction Contractor and the Construction Claims of any and all Construction Sub-Contractors under an agreement (written or oral) or otherwise engaged by you as the Construction Contractor or any other Construction Sub-Contractor at any level, in each case in connection with the relevant improvement (each, a "Connected Sub-Contractor" and together the "Connected Sub-Contractors").

However, pursuant to the terms of the Claims Procedure Order, you are to dispute the above Construction Claim on behalf of yourself **and** any Connected Sub-Contractor with respect to any disputed amount by submitting a Notice of Dispute of Construction Claim. For greater certainty, no Connected Sub-Contractor shall be required to submit a separate Notice of Dispute of Construction Claim in respect of their portion of the above Construction Claim – rather, any such disagreement by a Connected Sub-Contractor is to be included in the Notice of Dispute of Construction Claim submitted by the Construction Contractor.

As a result of the co-ordination that will be required between the Construction Contractor and the Connected Sub-Contractors, the Claims Procedure Order **requires you, as the Construction Contractor,** to send as soon as possible a copy of both your Notice of Construction Claim and the enclosed Construction Sub-Contractor Instruction Letter to all Construction Sub-Contractors in a direct contractual agreement or engagement with you in connection with the relevant improvement and ensure that **every Construction Sub-Contractor** sends as soon as possible a copy of both your Notice of Construction Claim and a Construction Sub-Contractor Instruction Letter to all Construction Sub-Contractors with whom they are in a direct contractual agreement or engagement in connection with the relevant improvement.

If a completed Notice of Dispute of Construction Claim in respect of the Construction Claim set out in the Notice of Construction Claim is not received by the Monitor by the Construction Claims Bar Date, then both you and all Connected Sub-Contractors in connection with the relevant improvement shall be deemed to have accepted the Construction Claim set out therein, and no such Construction Claimant shall have any further right to dispute the same as against the Sears Canada Entities and/or their Directors and Officers.

Since you, as the Construction Contractor, are to file the Notice of Dispute of Construction Claim on behalf of yourself and all Connected Sub-Contractors, **it is your responsibility**, as the Construction Contractor, to give each Connected Sub-Contractor the opportunity to determine and negotiate with you, any rights they may have with respect to the Construction Claim and incorporate it into the Notice of Dispute of Construction Claim.

IF A NOTICE OF DISPUTE OF CONSTRUCTION CLAIM IS NOT RECEIVED BY THE MONITOR WITHIN THE PRESCRIBED TIME PERIOD, THE CONSTRUCTION CLAIM AS SET OUT IN THE NOTICE OF CONSTRUCTION CLAIM WILL BE BINDING ON YOU AND ALL CONNECTED SUB-CONTRACTORS.

This Notice of Construction Claim does not affect any Claim other than the Construction Claim referred to herein. This Notice of Construction Claim should include all Construction Claims (as defined in the Claims Procedure Order) that you may have. If you believe it does not contain the entirety of your Construction Claim, you must include your whole Construction Claim in the Notice of Dispute of Construction Claim. If you (or any other Person, including any Connected Sub-Constructor) have any Claim that is not a Construction Claim, then you (or such other Person) must file that Claim separately in accordance with the Claims Procedure Order.

Construction Contractors requiring further information or claim documentation, or who wish to submit a Notice of Dispute of Construction Claim to the Monitor, may contact the Monitor at the following address:

FTI Consulting Canada Inc., Sears Canada Monitor
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Attention: Sears Canada Claims Process

Tel.: 416-649-8113
Toll Free: 1-855-649-8113
Fax No.: 416-649-8101
Email: searscanada@fticonsulting.com

DATED at Toronto, this ____ day of December, 2017.