

**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
ELECTRIQUE 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.

**MOTION RECORD OF THE MOVING PARTY/CREDITOR,
BARRY PATRICK KENNY
(Request to Lift the Stay of Proceedings)
Vol. 3**

July 6, 2017

MCKENZIE LAKE LAWYERS LLP
140 Fullarton Street, Suite 1800
London ON N6A 5P2

Michael J. Peerless (34127P)
Sabrina Lombardi (52116R)
Emily Assini (59137J)

Tel: 519-672-5666
Fax: 519-672-2674

Lawyers for the Moving Party/ Creditor

TO:

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto ON M5K 1N2

William McNamara
W. Grant Worden
Irfan Kara

Tel: (416) 865-0040

Fax: (416) 865-7380

Lawyers for the Defendant in the Class Action, Sears Canada Inc.

NORTON ROSE FULBRIGHT CANADA LLP

Royal Bank Plaza, South Tower
200 Bay Street, Suite 3800, P.O. Box 84
Toronto, Ontario M5J 2Z4

Orestes Pasparakis Tel: 416.216.4815

Virginie Gauthier Tel: 416.216.4853

Alan Merskey Tel: 416.216.4805

Evan Cobb Tel: 416.216.1929

Alexander Schmitt Tel: 416.216.2419

Catherine Ma Tel: 416.216.4838

Fax: 416.216.3930

Lawyers for the Monitor, FTI Consulting Canada Inc.

OSLER, HOSKIN & HARCOURT LLP

Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Marc Wasserman Tel: 416.862.4908

Jeremy Dacks Tel: 416.862.4923

Tracy Sandler Tel: 416.862.5890

Michael De Lellis Tel: 416.862.5997

Shawn Irving Tel: 416.862.4733

Martino Calvaruso Tel: 416.862.6665

Karin Sachar Tel: 416.862.5949

Fax: 416.862.6666

Lawyers for the Applicants

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This is Exhibit "D" mentioned and referred to in the Affidavit of Sabrina Lombardi, sworn before me at the City of London, in the County of Middlesex, this 6th day of July, 2017.



A Commissioner, etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

BARRY PATRICK KENNY

Plaintiff

- and -

SHS SERVICES MANAGEMENT INC., SEARS CANADA INC.
MICHAEL CLEMENTS, STEPHEN VERHOEFF, PAUL VERHOEFF

Defendants

Proceedings under the *Class Proceedings Act, 1992*

**RESPONDING MOTION RECORD OF THE DEFENDANT
SEARS CANADA INC.
(Motion for Certification)**

Torys LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, ON M5K 1N2
Fax: 416.865.7380

Patricia D.S. Jackson (LSUC #:18466S)
Tel: 416.865.7323

Arlen K. Sternberg (LSUC #: 42344D)
Tel: 416.865.8203

Rebecca Wise (LSUC #: 60005W)
Tel: 416.865.7231

Lawyers for the Defendant Sears Canada
Inc.

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

BARRY PATRICK KENNY

Plaintiff

- and -

SHS SERVICES MANAGEMENT INC., SEARS CANADA INC.
MICHAEL CLEMENTS, STEPHEN VERHOEFF and PAUL VERHOEFF

Defendants

Proceeding under the *Class Proceedings Act, 1992*

AFFIDAVIT OF PHILIPPE-ANDRÉ TESSIER

I, Philippe-André Tessier, of the City of Montreal, in the Province of Québec, MAKE
OATH AND SAY:

1. A copy of my curriculum vitae is attached as **Exhibit A**.
2. A copy of my acknowledgement of expert's duty is attached as **Exhibit B**.
3. I have been asked:
 - 1- Whether the common law "*common employer*" doctrine applies in Quebec

No, not before Quebec courts of justice. It is a well-known principle in Canadian law that the common law is not applicable to Quebec (except of course in the area of public law) since its private law (*jus commune*) is based on the civil law tradition that is reflected today in its Civil Code. Thus, Quebec courts of justice will not apply the common law but the rules contained in its Civil Code for private law disputes.

2- Whether the Civil code of Quebec contains any reference to *"associated or related activities or businesses"* 2

No. The Civil Code of Quebec contains no reference to *"associated or related activities or businesses"*. In its chapter dealing with contracts of employment (sections 2085 to 2097) a contract of employment is defined as *"a contract by which a person, the employee, undertakes for a limited period to do work for remuneration, according to the instructions and under the direction or control of another person, the employer"*.

SWORN/AFFIRMED BEFORE ME at the
City of Montreal, in the Province of
Québec on June 28, 2016

Sylvie Gendreau

Commissioner for Taking Affidavits
(or as may be)



Philippe-André Tessier

Philippe-André Tessier





Philippe-André Tessier, CRIA

Labour Law / Transportation Law

As Practice Group Leader of RSS's Labour Law Group, acting both as a lawyer and as a Certified Industrial Relations Counsellor, Philippe-André represents clients from various fields of activity, under federal and provincial jurisdictions alike, in all matters related to labour.

His main areas of practice include labour and employment law, occupational health and safety, administrative law and transportation law, in addition to the penal aspects of these fields.

Partner

T 514 393-7454

F 514 878-1865

patessier@rsslex.com



Representative Matters

Outstanding labour law experience with businesses under federal and provincial jurisdictions.

- Representation and advice to various unionized and non-unionized employers (childcare centres, pharmacies) on individual and collective labour relations.
- Cases on ss 47.2ff of the *Labour Code* (certified association's duty to act in good faith towards employees).
- Numerous individual arbitrations under Part III of the *Canada Labour Code*, and occupational health and safety matters under Part II
- Experience with statutory offences, especially in cases involving carriers and insurers, under Quebec's *Act respecting labour relations, vocational training and workforce management in the construction industry* and *Act respecting occupational health and safety*.
- In-depth knowledge of the rules on non-profit organizations.
- **Professional orders** — Representation in litigation involving positions protected under Quebec's *Professional Code*.
- General advice to **AJW Technique**, the company that purchased Aveos's operations in 2012.
- **Association Iris** — Non-profit organization for the promotion and provision of mental health services, with or without lodging:
 - Negotiation of a collective agreement with the FSSS-CSN (Federation of health and social services — Confederation of national unions)
 - Advice on labour relations

- **Sears Canada** — Psychological harassment case involving concurrent jurisdictions of the Commission des relations du travail and the Commission des lésions professionnelles (labour relations and employment injuries commissions).
- **Wal-Mart Canada** — Litigation with Quebec's Commission des droits de la personne et des droits de la jeunesse (human and youth rights commission) on judicial records and privacy, before the Quebec Court of Appeal.
- **Autocar Connaisseur inc.** — Case before the Canadian Human Rights Tribunal involving random drug tests for bus drivers; discussion on the definition of "security-sensitive position" and the duty to accommodate.
- **Coach Canada** — Certification case before the Canadian Industrial Relations Board involving two conflicting unions.

Honours

Listed since 2012 as a leading transportation law practitioner by *Best Lawyers in Canada*

Associations

Société québécoise d'information juridique (**SOQUIJ**), director since 2013, chairman of the board since 2014. In this capacity, he also sits on the Forum québécois sur l'accès à la justice civile et familiale.

Ordre des conseillers en ressources humaines et relations industrielles agréés du Québec (Quebec order of chartered human resources and industrial relations advisors), member since 2003

Barreau du Québec (Quebec Bar), executive committee and general council (2009-2010); Working group on the revision of the *Code of ethics of advocates*

Barreau de Montréal (Montreal Bar), secretary of the executive committee (2009-2010); committees on relations with administrative tribunals, the Centre d'accès à l'information juridique (CAIJ) and the Commission des relations du travail (Quebec labour relations board).

Canadian Bar Association – Quebec Division, executive committee (2009-2010)

Young Bar Association of Montréal, president (2008-2009)

Publications and Conferences

Co-speaker, "Regards croisés sur l'arrêt *Durocher* de la Cour d'appel: cumul de recours en harcèlement psychologique", presenter before the Groupe des 2^e mardis, February 9, 2016

"Une carrière en droit du travail: syndicat ou patronat?", conference before the professional development centre of the faculty of law of the University of Montréal, September 24, 2015

"Un aperçu des dernières modifications au *Code canadien du travail*" (with David Paradis), online: (2015) 97 *VigieRT*,
<www.portailrh.org/VigieRT/fiche.aspx?p=608315>

"Gouvernance des OBNL : quand l'employé se prend pour le patron" (with David Paradis), online: (2015) 94 *VigieRT*,
<www.portailrh.org/VigieRT/fiche.aspx?p=602598>

"Compétences concurrentes et harcèlement psychologique : une piste de solution" (with Jacques Bélanger), online: (2014) 91 *VigieRT*,
<www.portailrh.org/VigieRT/2014-2015.aspx>

Representing Yourself Before an Administrative Tribunal, coauthor, Fondation du Barreau du Québec, 2013, updated 2014,
<www.crt.gouv.qc.ca/la_commission/detail_actualite/detail_un-outil-pour-se-representer-sans-avocat-devant-un-tribunal-administratif.html>

"Gestion de plaintes simultanées pour harcèlement psychologique", presentation at RDV Relations du travail, an event of Quebec's Ordre des conseillers en ressources humaines agréés (Certified HR Advisors), December 3, 2014

"Le droit de l'emploi et du travail pour l'entreprise privée" in *Guide de démarrage de l'entreprise*, Young Bar Association of Montréal, 2013, 2nd ed., p. 48. <www.ajbm.qc.ca/externe/flippingbook>

Les conflits d'intérêts en milieu de travail, Continuum conference for members of the Bar, 2013

Plénière — *La politique à l'ère post-corruption : utopie ou espoir?*, organizer and panelist, annual convention of the Quebec Bar, 2013

L'accès à la justice, joint speaker with the Hon. Louise Otis, Juripop seminar, 2012

Le syndicalisme au Québec, panelist, *Maîtres chez nous* seminar, hosted by Force Jeunesse

Philippe-André Tessier, CRIA

Update on road transportation, annual conference of the Canadian Transport Lawyers Association, 2007

"City Or Highway Drivers? It All Depends On Who Decides...", *The Transportation Lawyer*, December 2004, vol. 6, n. 3 (2004)

"An Update on the Forum Of Stakeholders in the General Freight Trucking Industry", *The Transportation Lawyer*, October 2004, vol. 6, n. 2 (2004)

Presentation of various workshops at Lorman Education Services conferences

Languages

English, French

Education

Bachelor of laws, University of Montréal

Bachelor of science (Major in communications, minor in industrial relations),
University of Montréal

Call to Bar

Quebec, 2001



**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

BARRY PATRICK KENNY

Plaintiff

- and -

SHS SERVICES MANAGEMENT INC., SEARS CANADA INC.
MICHAEL CLEMENTS, STEPHEN VERHOEFF and PAUL VERHOEFF

Defendants

Proceeding under the *Class Proceedings Act, 1992*

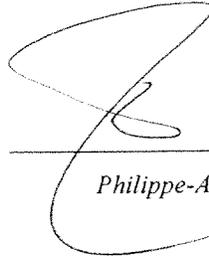
ACKNOWLEDGEMENT OF EXPERT'S DUTY

1. My name is Philippe-André Tessier. I reside in the City of Montréal in the Province of Québec.
2. I have been retained by the defendants to provide evidence in relation to the above-noted court proceeding.
3. I acknowledge that it is my duty to provide evidence in relation to this proceeding as follows:
 - (a) to provide opinion evidence that is fair, objective and non-partisan;
 - (b) to provide opinion evidence that is related only to matters within my area of expertise; and
 - (c) to provide such additional assistance as the Court may reasonably require, to determine a matter in issue.

4. I acknowledge that the duty referred to above prevails over any obligation which I may owe to any party by whom or on whose behalf I am engaged.

Date

June 28th 2016



Philippe-André Tessier



**ONTARIO
SUPERIOR COURT OF JUSTICE**

Between:

BARRY PATRICK KENNY

PLAINTIFF

And:

SHS SERVICES MANAGEMENT INC., SEARS CANADA INC., MICHAEL
CLEMENTS, STEPHEN VERHOEFF and PAUL VERHOEFF

DEFENDANTS

Proceeding under the *Class Proceedings Act*, R.S.O. 1992, c. 6

AFFIDAVIT

I, Pamela Murphy, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a Vice President at Sears Canada Inc. ("Sears") in Ontario, and have held this position since January 2013. Prior to holding the position of Vice President, I held the position of Divisional Vice President. As such, I have knowledge of the matters described in this affidavit. Where my knowledge is based on information from others, I believe that information to be true.

A. Sears and The Home Services Business

2. Sears is a multi-channel retail company with its headquarters in Toronto, Ontario. Sears has operations across Canada.

3. Until March 2, 2013, one of the businesses operated by Sears was its installed home improvement business, which operated under the brand name Sears Home Services (the "Home Services Business"). Sears' Home Services Business involved the sale and installation to retail customers of various home products and services, including heating, ventilation and air

conditioning products, windows, doors, roofing, home décor and other home improvement products and services, including duct and carpet cleaning.

4. As of the start of 2013, the Home Services Business was run out of 82 retail locations and eight showrooms across Canada, with stores in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick and Newfoundland.¹ The Home Services Business also operated a call centre and a network of licensees and contractors.

B. The Home Services Business Employees

5. As of the start of 2013, Sears employed approximately 650 employees in its Home Services Business across Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, and New Brunswick (the “Sears Employees”).

6. The Sears Employees held various positions (both part time and full time) with differing roles and responsibilities within the Home Services Business. While some employees – like Lead Generators – worked in Sears stores or warehouses, other employees were based in the field. Employees based in the field would sometimes visit a Sears office (as distinct from a Sears store) for meetings or other matters. Many field-based employees were also issued Sears equipment, such as cellular devices, laptops or Sears vehicles, which they used in the course of their work.

7. The Sears Employees were employed by Sears pursuant to individual employment agreements. They each commenced their employment with Sears at different times and pursuant to differing terms.

C. Sears’ Sale of Home Services Business Assets to SHS Services Management Inc.

8. On or about December 20, 2012, Sears entered into an agreement with SHS Services Management Inc. (“SHS”) to sell assets of its Home Services Business to SHS, and entered into a related licensing arrangement (the “Transaction”). SHS was, at the time, a newly formed company owned and operated by principals of Installation Services Org., a national services management company that specialized in third party commercial and residential flooring

¹ I am informed that residents of British Columbia are excluded from the plaintiff’s class definition. Accordingly, the matters described in this affidavit focus on the Home Services Business outside of British Columbia.

installation. Sears selected SHS after a 12-month process because, among other things, Sears believed SHS had the systems, processes and leadership team to grow the Home Services Business, fit the Sears culture and was focused on customer service. Copies of the Asset Transfer Agreement and Branded Concession Agreements dated December 20, 2012 in respect of the Transaction are attached as Exhibits E and F to the Affidavit of John McNair sworn March 24, 2016.

9. In connection with the Transaction, SHS requested that Sears provide certain services to it during the initial transition period. Accordingly, on February 28, 2013, Sears and SHS entered into an agreement which governed the terms of the initial transition (the "Transition Services Agreement"). The Transition Services Agreement is attached as **Exhibit A**.

10. The Transaction was completed on March 2, 2013.

11. Although the Transition Services Agreement was initially contemplated to come to an end nine weeks after the closing of the Transaction (May 4, 2013), SHS requested that Sears continue to provide certain services to it to assist in its transition. Accordingly, various amendments were made to the Transition Services Agreement over time, copies of which are attached as **Exhibit B**. As is set out in the Transition Services Agreement amendments, Sears ceased to provide certain transition services to SHS over time (for example, information technology and financial administration services came to an end on November 2, 2013, contact centre services came to an end on April 6, 2013, SHS' use of Sears' BlackBerrys came to an end of March 22, 2013. etc.)

12. Sears also entered into Sublease Agreements pursuant to which Sears temporarily leased space in its warehouses to SHS during the transition period. Copies of the Sublease Agreements are attached as **Exhibit C**.

D. Communications with Sears' Employees Regarding the Transaction

13. Beginning in early January 2013 and leading up to the completion of the Transaction, Sears began informing the Sears Employees of the Transaction. As set out in further detail below, and contrary to the allegation in paragraph 10 of the plaintiff's affidavit sworn March 23, 2016 (the "Kenny Affidavit"), there were a number of meetings and/or telephone calls during

which Sears and/or SHS discussed the Transaction with the Sears Employees and the implications of it, including:

- (a) on or about January 7, 2013, the Transaction was announced to a select group of Sears managers;
- (b) on or about January 8, 2013, the Transaction was announced to the balance of the Sears Employees;
- (c) on or about January 9, 2013, Sears held a series of conference calls for various groups of Sears Employees across Canada; and
- (d) from January 9 to 25, 2013, Sears and SHS conducted a series of meetings with Sears Employees across Canada.

14. Further, in mid-February 2013, prior to the completion of the Transaction, Sears and SHS held individual meetings with most of the Sears Employees, with the exception of those on maternity leave, vacation, or who were otherwise unavailable, in order to discuss their individual employment and offers of employment from SHS, if applicable. SHS was not required to offer employment to all of the Sears Employees and had sole discretion, pursuant to the Asset Transfer Agreement, over which Sears Employees to offer employment to.

15. In addition to the above meetings and conference calls, I was informed by other Sears human resources personnel that many of the Sears Employees had additional (and more informal) discussions with supervisors/managers and/or human resources personnel about the Transaction and their employment situations.

The January 8, 2013 Announcement

16. On January 8, 2013, Sears held meetings with Sears Employees across the country to announce the Transaction (the "January 8 Meetings"). The employees were advised that SHS would be taking over operations of the Home Services Business on March 3, 2013, and that the Home Services Business would thereafter be run entirely by SHS. The Sears Employees were also informed that Sears would be scheduling a series of calls for employees, to take place the following day. During those calls, employees would be given an opportunity to ask any questions they may have about the Transaction and their employment (the "Q&A Calls").

17. As not all of the Sears Employees were available to attend the January 8 Meeting, Sears directed its District Sales Managers (“DSMs”) to telephone all of the Sears Employees who were absent at the January 8 Meetings. The DSMs were instructed to convey the same information that was conveyed at the January 8 Meetings. While I did not participate in the calls between the DSMs and the employees, I believe the calls were made.

18. I attended the meeting in Halifax, Nova Scotia. Following the meeting, I observed many employees speaking amongst themselves about the Transaction. I also participated in some of these conversations, along with Sears human resources associates. From what I observed, I believe the employees were discussing, among other things, how their employment with Sears would be impacted by the Transaction.

The Q&A Calls

19. Following the January 8 Meeting, Sears sent an e-mail to all Sears Employees to advise of the times of the Q&A Calls, and to encourage them to sign up for one of the calls. A total of seven separate one hour Q&A Calls were scheduled for January 9, 2013. A copy of the form of e-mail sent to the Sears Employees is attached as **Exhibit D**.

20. I attended one of the Q&A Calls. Each of the Q&A Calls was led by Terri Lowe, the then Vice-President of Sears Home Services. Ms. Lowe is not currently employed by Sears. On the Q&A Calls, individual employees were provided with an opportunity to ask questions about the Transaction and its implications on their employment. Many questions were asked by employees and answered to the best of Sears’ ability. While I believe that some of the same questions may have been addressed on a number of the Q&A Calls, not all of the same questions were posed on each of the calls. Some of the questions I believe were asked by employees during this process included the following

- (a) whether employees would be working for Sears or SHS after the Transaction (employees were told they would work for Sears until March 3, 2013 and thereafter for SHS provided they were offered employment by SHS); and
- (b) whether employees could remain employed by Sears, rather than continuing their employment with SHS, i.e., by applying for a job at Sears (employees were told they could do so).

21. The content of the Q&A Calls differed from call to call, as different questions were posed on each call. The discussions that took place on the calls therefore differed from one call to another, such that different employees discussed different points relating to the Transaction and its implications on their employment, depending on the call on which the particular employee participated.

22. I am not aware of whether the plaintiff participated in one of these calls.

23. The Q&A Calls led to some individual discussions between Sears human resources and/or management personnel and employees about their particular employment situations.

The Roadshow Presentations (January 9-25, 2013)

24. From January 9th to 25th, 2013, Sears and SHS conducted a series of meetings with employees across Canada to give a “roadshow” presentation to all the Sears Employees. The main purpose of these meetings was to provide more information to employees about SHS and its planned operation of the Home Services Business after completion of the Transaction.

25. I personally attended a number of those meetings, including meetings in Toronto, Calgary, Edmonton and Vancouver. During each of the meetings, a number of employees asked questions relating to the Transaction. Following the meetings, I observed many employees speaking amongst themselves and with Sears human resources about the Transaction.

26. All employees were invited to attend one of the meetings between January 9 and 25. As far as I am aware, the plaintiff was invited to attend a meeting in Cambridge, Ontario which was held on January 17, 2013.

E. The SHS Offers of Employment and Individual Meetings with Employees

27. By mid-February 2013, SHS had determined to which of the Sears Employees it would make offers of continued employment. Not all of the Sears Employees were offered employment by SHS, nor were they required to be.

28. Between approximately February 19 and 21, 2013, each of the Sears Employees to whom SHS had decided to make an offer of employment was invited to attend an individual meeting

with Sears and SHS. The purpose of these individual meetings was to discuss the individual's employment, and for SHS to present and explain its offer of employment to the employee.

The Terms of the SHS Offers of Employment

29. Records of the SHS offers of employment belong to SHS. Sears did not receive executed copies of each of the SHS offers of employment. However, PwC Canada (SHS' court appointed receiver, as described in further detail below) provided Sears with copies of the offers of employment it had in its files (many of the offers of employment are missing, as described in further detail below).

30. I have reviewed some of the SHS offers of employment received by various Sears Employees. I have focused my review on the offers of employment made to employees who were employed by SHS from March 2, 2013 until December 13, 2013 (i.e., employees who were employed by SHS throughout that time period), as I understand that plaintiffs' counsel confirmed in writing that the class is limited to these employees (the "Proposed Class Members"). The relevant correspondence is attached as **Exhibit E**.

31. As far as I am aware, the offers made by SHS to the Sears Employees offered to continue the employee's employment on terms that were at least as good as or better than the employee's individual terms of employment with Sears. As far as I am aware, the Kenny Agreement and the majority of other employees' agreements with SHS that are available through PwC included the following terms:

Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing...but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement...

Termination

[...] SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purpose of calculating your entitlement to working notice, or payment in lieu of working notice.

Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

32. As far as I am aware based on my review of the offers of employment available through PwC, the SHS employment offers that were made to Sears Employees were accompanied by an Understanding of Employment and/or Engagement Form to be executed by each employee who accepted the employment offer from SHS as a condition of their acceptance of the SHS employment offer. The Understanding of Employment and/or Engagement Form included the following statements of understanding:

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

33. In some cases, the SHS employment contracts entered into with the Sears Employees contained terms requiring the employee to relocate to an office operated by SHS, either immediately upon the completion of the transaction (there is at least 1 example of this, attached as **Exhibit F**) or within 2-3 weeks of the completion of the Transaction (there are approximately 20 examples of this, one of which is attached as **Exhibit G**). Many other employees' contracts, including the plaintiff's, provided that relocation was a "likely event" and that if SHS chose to relocate the employee's place of employment, it was SHS' intent to have the new facility located within a 10 kilometer radius of the employee's current work location (there are approximately 206 examples of this, one of which is attached as **Exhibit H**).

34. In addition to the relocation clauses outlined above, there were other differences in terms in the SHS employment contracts. For example, 38 employees signed contracts that entitle them to participate in SHS' Short Term Incentive Plan (one of which is attached as **Exhibit I**). Some employees also signed contracts that included clauses providing that those employees would receive training at the commencement of their employment with SHS (there is at least 1 example of this, which is attached as **Exhibit J**).

35. A copy of the employment offer made to and accepted by the plaintiff, including his Understanding of Employment and/or Engagement Form, is attached as Exhibit "B" to the Kenny Affidavit.

The Individual Meetings with Sears Employees

36. Each individual employee meeting held for Home Services Employees who were to receive offers of employment from SHS was attended by one representative of SHS and one representative of Sears' human resources group, as far as I am aware. As stated, the purpose of these meetings was to discuss the individual's employment and for SHS to present its employment offers. I understand that in each individual meeting SHS reviewed the particular terms of its employment offer with the Sears Employee, including the Understanding of Employment and/or Engagement Form, and answered any questions posed by the employee.

37. Employees were informed that, if they had questions or wanted to further discuss their offers of employment from SHS, they should contact SHS to do so. Employees were given SHS contact information for the purpose of doing so.

38. In the days following the individual meetings, a number of Home Services Employees approached Sears human resources representatives with questions about the Transaction and their offers of employment from SHS. As far as I am aware, the Sears human resources representatives attempted to answer employee questions to the extent the questions related to Sears. Sears human resources representatives also provided standardized answers to basic questions relating to aspects of the Transaction that had been memorialized in the documents related to the Transaction. For example, Sears answered questions related to particular employees' compensation (i.e., whether an employee's compensation would remain the same), tenure (i.e., whether SHS would recognize an employee's tenure with Sears) or vacation (i.e.,

whether an employee was entitled to the same amount of annual vacation at SHS as he or she had been entitled to at Sears). Employees with other questions relating to the SHS offers of employment and other issues related to SHS were directed to contact SHS to discuss their questions.

E. Operation of the SHS Business following the Completion of the Transaction

39. After the Transaction closed after the close of business on March 2, 2013, the relationship between SHS and Sears was governed by the Branded Concession Agreement and the Transition Services Agreement (including the various amendments to the Transition Services Agreement). While Sears provided back office support to SHS during the transition period and consulted with SHS on marketing and related matters (as contemplated by the Branded Concession Agreement, Transition Services Agreement and Sublease Agreements), SHS operated its Home Services business as an autonomous enterprise, and exercised control over its business and all of its employees, including the former Sears Employees.

40. Although former Sears Employees would have noticed differences in their day-to-day employment following the transaction, their experiences following the Transaction would not have been uniform:

- (a) *Relocation of some SHS employees.* After the completion of the Transaction, SHS required a number of its employees to relocate from Sears head offices, stores and/or warehouses to head offices, stores and/or warehouses run exclusively by SHS. For example, all of the employees who had previously worked in Sears' head office in downtown Toronto were required to relocate to SHS' head offices in Markham (where Sears had no offices). Similarly, Sears employees working in Sears facilities in Ontario, Quebec, Saskatchewan and Alberta were relocated to new SHS locations that were opened in those provinces. For example, the majority of employees who had previously been located in Sears' Kitchener warehouse facility were required to relocate to an SHS location in Cambridge. Other employees continued to work out of Sears stores or in the field, at the discretion of SHS. Sears was not involved in making any of these decisions.

There was no reason for SHS to report these decisions to Sears and they did not do so.

(b) *Return of Sears equipment for field-based employees.* At or around the time of the Transaction, Sears required its field-based employees who had previously used Sears cellular devices, laptops or vehicles, to return those items to Sears. Although Sears was not aware, and had no reason to be aware, after the Transaction of whether SHS provided its employees with similar equipment, I understand that at least some former Sears Employees' phone numbers were changed when they returned their Sears devices and received new SHS devices.

(c) *Continued interaction with Sears.* I expect that SHS employees would have had differing degrees of contact with Sears personnel following the Transaction. As set out above, some SHS employees continued to work out of Sears offices, stores or warehouses, where they may have been in contact with some Sears personnel (although not in any supervisory capacity). Similarly, some of SHS' employees would have consulted with Sears on various marketing endeavours, such that those employees may have had more frequent contact with Sears personnel. However, sales associates working in the field or out of exclusively SHS offices would have had minimal contact with any Sears personnel following the completion of the Transaction.

Even those employees working in stores would have had greatly reduced contact with Sears management. Prior to the Transaction, if a Sears Employee did not appear for a scheduled shift, their Sears store manager would contact them directly. Following the Transaction, the Sears store manager would not contact the employee directly. Rather, the store manager would contact the employee's SHS supervisor, who I assume would in turn contact the employee.

In a similar vein, whereas Sears personnel would have, prior to the transaction, directly addressed health and safety issues with Sears Employees, I understand that after the Transaction Sears was required to raise health and safety issues with SHS representatives, who I assume would then communicate with their employees directly.

- (d) *Ineligibility in Sears employee rewards programs.* None of the SHS employees were eligible for certain Sears reward initiatives. However, awareness of this ineligibility likely varied between employees. For example, at the time of the Transaction, Sears operated a Service Recognition Awards Program, in which employees received rewards for various years of service milestones (e.g., five and ten year service awards). I have been informed by Lindsay Naylor (Divisional Vice President, HR Operations) that some SHS employees who, but for the Transaction, would have been close to receiving a service award at Sears, made inquiries of Sears following the Transaction regarding their eligibility for an award and were informed that they were not eligible to receive service awards following the Transaction.
- (e) *Eligibility in Sears Defined Benefit Pension Plan.* I am advised by Ms. Naylor that some Sears Employees joined Sears' Defined Benefit Pension Plan prior to 2008. Those Sears Employees who had joined the Plan and who accepted offers of employment from SHS in March 2013 would have continued to participate in the Plan until their employment with SHS ended.
- (f) *Promotions offered by SHS.* It is my understanding, based on a review of a number of SHS employment agreements and related documents, that SHS offered position changes or promotions to a number of the Proposed Class Members (approximately 25 employees, based on the records received from PwC). In some cases, employees were provided with a fresh contract to execute (one such employee's original and subsequent SHS employment contract is attached at **Exhibit K** – at the time of his promotion, this employee signed an agreement not to compete with SHS following the termination of his employment). In other cases, employees were provided with promotion or change of position letters, examples of which are attached as **Exhibit L**. Sears played no role in SHS' decision to promote these employees, or in negotiating the terms of those promotions.

41. It is my understanding, based on a review of records provided to Sears by PwC, that SHS offered employment after the closing of the Transaction to at least 80 individuals who had not

been employed previously by Sears. The employment contracts for those employees (to the extent they are available in PwC's files) differ from the contracts presented to the Sears Employees (summarized above). Among other things, there is no reference to Sears in the employment contracts executed by these SHS Employees, examples of which are attached as **Exhibit M**. Sears was not involved in making these hiring decisions.

F. Subsequent Receivership of SHS and Termination of Employment by SHS

42. I understand that the plaintiff and various other former Sears Employees continued to be employed by SHS from March 3, 2013 (when the Transaction was completed) until mid-December 2013, a period of about 9.5 months. At that time, a receivership order was made, appointing a receiver in respect of SHS (PwC Canada), and SHS at that point terminated the employment of the plaintiff and all of its other employees across Canada.

43. It is my understanding based on a review of records provided to Sears by PwC Canada that there were approximately 418 employees terminated by SHS in December 2013 who had been employed by SHS since March 2, 2013 (excluding British Columbia employees). The number of terminated employees by province, based on PwC's records, is as follows:

- Alberta: 53 employees
- Manitoba: 6 employees
- New Brunswick: 3 employees
- Nova Scotia: 5 employees
- Ontario: 225 employees
- Quebec: 116 employees
- Saskatchewan: 10 employees

44. The details of these terminations by SHS are not known to me, nor am I aware of what steps employees may have taken thereafter to obtain employment elsewhere.

45. Sears requested information from PwC Canada relating to the employees terminated by SHS. Based on the information I have reviewed, it is my understanding that PwC Canada has in

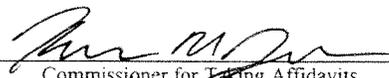
its files executed employment contracts for 234 of the SHS employees who had been employed since March 2, 2013 (some of whom were not Sears Employees) and executed Understanding of Employment and/or Engagement Forms for 218 of the SHS employees.

G. Communications with Quebec's Labour Standard Commission

46. In August 2014, Sears received letters from Quebec's Labour Standard Commission (the "Commission") claiming \$1,009,386.19 from Sears in respect of notice of termination or indemnity in lieu of notice for employees terminated by SHS in Quebec. Copies of the letters received from the Commission are attached as **Exhibit N**.

47. I understand that Sears' counsel communicated with the Commission about the issue, with the result that the Commission agreed that Sears was not liable for the claim because it was not the employer of the SHS employees. The Commission held that SHS alone was responsible for the claim. A copy of the Commission's e-mail in this regard is attached as **Exhibit O**.

SWORN BEFORE ME at the City of
TORONTO in the Province of Ontario
on the 8 of July, 2016.



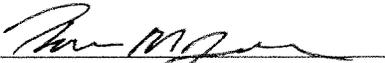
Commissioner for Taking Affidavits
(or as may be)
ESQ. THERESA M. JENSEN
LSC# 678021



Pamela Murphy



This is Exhibit "A" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.


A Commissioner, etc.

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT is dated as of February 28, 2013, by and between SHS Services Management Inc. ("**Client**") and Sears Canada Inc. ("**Supplier**")

RECITALS

WHEREAS concurrent with the execution and delivery of this Agreement, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between the Client and the Supplier (the "**Asset Transfer Agreement**");

AND WHEREAS concurrent with the execution and delivery of this Agreement, Supplier provided a license to Client to operate a concession under the Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between the Client and the Supplier (the "**Branded Concession Agreement**");

AND WHEREAS Client has requested and Supplier has agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of this Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Supplier and the Client do hereby agree as follows:

1. Interpretation

(a) Capitalized terms that are defined in the Asset Transfer Agreement and not otherwise defined herein have the meanings given to them in the Asset Transfer Agreement, and grammatical variations thereof have corresponding meanings. In addition, the following terms shall have the following meanings:

"**Agreement**" means this Transition Services Agreement, together with all of the Schedules attached hereto, as any of them may be amended, modified or supplemented from time to time in accordance with the terms hereof.

"**Agreement Term**" has the meaning given to such term in Section 4.

"**Asset Transfer Agreement**" has the meaning given to such term in the Recitals.

"**Branded Concession Agreement**" has the meaning given to such term in the Recitals.

"**Client**" has the meaning given to such term in the Recitals.

"**Day 1**" means the day after the Closing Date.

"**Force Majeure Event**" has the meaning given to such term in Section 7(a).

"**In-Store Labour**" means the installation and assembly of products purchased at Sears retail outlets, one of the Products and Services set out in Schedule "A" to the Branded Concession Agreement.

"**Services**" means the services and reports provided by or on behalf of the Supplier to the Client and described in Section 2, and "**Service**" means any one of such Services.

"**Operational Representative**" of a Party means the Party's manager or coordinator appointed to address finance, operational or other non-information technology security issues arising in connection with this Agreement, such representative to be identified to the other Party on the date hereof.

"**Parties**" means, collectively, the Supplier and the Client and "**Party**" means any one of them.

"**Reports**" has the meaning given to such term in Section 2.

"**Service Fees**" has the meaning given to such term in Section 5.

"**Service Period**" has the meaning given to such term in Section 4.

"**Software**" means any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow charts and other work product used to design, plan, organize and develop any of the foregoing, and (iv) all documentation, including user manuals and training documentation, relating to any of the foregoing, in each case, as used in the provision of the Services.

"**Technology Representative**" of a Party means the Party's information technology security manager or coordinator appointed pursuant to Schedule C to coordinate information technology security in respect of the Services.

"**Transition Representative**" of a Party means, as applicable, the Party's Operational Representative or Technology Representative, and "**Transition Representatives**" of a Party means both of them.

(b) In this Agreement, except to the extent that the context otherwise requires: (i) when a reference is made to an article, section or schedule, such reference is to an Article or Section of or a Schedule to, this Agreement unless otherwise indicated; (ii) whenever the words "include", "includes" or "including" are used in this Agreement, they are deemed to be followed by the words without limitation"; and (iii) the words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement.

(c) The following Schedules are attached to and form part of this Agreement:

Schedule A	-	Schedule of Services
Schedule B	-	Reporting
Schedule C	-	Security Measures

2. Services

During the term of this Agreement as set forth in Section 4, subject in all respects to the other terms and conditions set forth in this Agreement, the Supplier shall provide to the Client (i) the services identified on Schedule A as services to be provided by the Supplier for the fees set out therein, and (ii) the reports identified on Schedule B as reports to be provided by the Supplier (the "**Reports**") with the frequency and for the fees set out therein.

During the term of this Agreement as set forth in Section 4, subject in all respects to the other terms and conditions set forth in this Agreement, the Supplier shall provide to the Client (i) assistance with the closing of general ledgers for the Client and general ledger account reconciliation with effect on the Closing Date, and (ii) such other assistance as the Client may reasonably request with respect to Client's financial accounting and reporting.

3. System Access and Services

Except as expressly agreed by the Parties in writing, any Software owned by or licensed to the Supplier and which, during the term of this Agreement, may be operated or used by the Supplier in its provision of Services hereunder, shall not in any way constitute a grant to the Client or any other recipient of such Services of any license of any type to such Software, or result in the creation of any rights of the Client or any other recipient of such Services in or to such Software, other than the right to receive the Services provided for hereunder.

4. Term

(a) The term of this Agreement shall commence on Day 1 and shall expire on the day that is the last day of the last Service Period (the "**Agreement Term**").

(b) The term of this Agreement with respect to any particular Service shall, unless otherwise indicated for such Service in Schedule A, commence on Day 1 and shall expire at 11:59 p.m. (Toronto time) on the last day of the "Servicing Term" relating to such Service as set forth on Schedule A (the "**Service Period**").

(c) The Client may notify the Supplier, in writing, that it is electing to terminate this Agreement early with respect to any particular Service by providing the Supplier with prior written notice specified in Schedule A for such Service.

(d) Upon any termination of Services pursuant to Section 4(c), the Client shall not have any further payment obligations with respect to the provision of such terminated Services subsequent to such termination; provided, however, that the provisions of Section 5 (until all then-existing payment obligations relating to the terminated Services are satisfied), Section 6(c) and Section 7 shall survive the termination of such Services. Upon termination of all Services, this Agreement will terminate; provided, however, that the provisions of Section 5 and Section 7 shall survive the termination of this Agreement.

5. Service Fees

(a) As consideration for the Supplier providing the Services, the Client shall pay to the Supplier (i) a weekly base fee of \$55,000 for each full or part week of the Service Term; and (ii) an additional fee for each Service delivered in such week at the rates specified in Schedule A (“**Service Fees**”). Each weekly payment shall be due 30 days after the end of the Fiscal Month during which such weekly Service was delivered.

6. Standard of Care

(a) Supplier shall use its commercially reasonable efforts to perform its duties and provide the Services hereunder in good faith and in a manner which is substantially similar in nature, quality and timeliness, and with a level of support and staffing, to the manner in which analogous services were provided by Supplier and its Affiliates to the Supplier when it was itself operating the business similar to the Concession prior to the Effective Date.

(b) Each of the Parties shall use commercially reasonable efforts to adhere to the standards set forth on Schedule C attached hereto.

(c) The obligations of the Supplier under this Agreement are subject to the following:

- (i) Supplier shall not be liable for (A) any action or inaction taken or omitted to be taken by it pursuant to, and in accordance with, instructions received from the Client’s Transition Representative or (B) any inaction by it as a result of any failure of the Client’s Transition Representative to be reasonably available for consultation on a timely basis;
- (ii) Supplier may rely upon any notice from, or other communication of any nature with, the Client’s Transition Representative (written or oral, including telephone conversations, whether or not such notice or other communication is made in a manner permitted or required by this Agreement), and the Supplier shall not have any duty to verify the identity or authority of the Client’s Transition Representative;
- (iii) Supplier shall provide the Services in compliance with applicable Laws and may refuse to take any action and shall not be required to perform hereunder any Service if, upon the advice of Supplier’s counsel, such act or service would violate any applicable Laws;
- (iv) Supplier shall not have any obligation to perform any Service to the extent that performing such Service is dependent upon, or otherwise requires, the Client to perform some service, operation or function unless the Client shall have, in fact, prior to when the Supplier is required to perform any such Service, performed such service, operation or function consistent with commercially reasonable business practices.

7. General Provisions

(a) Force Majeure. Notwithstanding anything to the contrary herein, the Supplier shall have no liability to the Client for damages or delay in performance due to fire, lightning, pest damage, power failure or surges, strikes or labour disputes, water or flood, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or terrorism, acts or omissions of communications or other carriers, or any other cause beyond the reasonable control of the Supplier, whether or not similar to the foregoing, that prevent the Supplier from performing its obligations hereunder (any such event, a "**Force Majeure Event**"). If the Supplier is rendered unable to perform or observe any of its obligations under this Agreement by reason of a Force Majeure Event, it shall give verbal notice of such fact to the Client's Operational Representative and Technology Representative promptly after the occurrence of such Force Majeure Event.

(b) Amendment. This Agreement may be amended, modified, superseded or cancelled, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by an instrument in writing signed by each of the Parties or, in the case of a waiver, by or on behalf of the Party waiving compliance.

(c) Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, between the Client and the Supplier or with respect to the subject matter hereof.

(d) Applicable Law. This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein, and each Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.

(e) Assignment. The Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and, where the context so permits, their respective successors and permitted assigns. The Supplier may assign its rights and obligations hereunder, in whole or in part, (i) to any of its Affiliates, or (ii) with the Client's prior written consent (which consent shall not be unreasonably withheld or delayed), to a third party service provider. The Client may not assign its rights and obligations hereunder, in whole or in part, to any Person without the Supplier's prior written consent (which consent shall not be unreasonably withheld or delayed) except that it may assign its right to receive Services to any Affiliate.

(f) Headings. The descriptive headings of the several Articles and Sections of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(g) No Third Party Rights. Nothing in this Agreement is intended, nor shall be construed, to confer upon any Person other than certain Supplier and its Affiliates and Client and its Affiliates, any right or remedy under or by reason of this Agreement. Notwithstanding the foregoing, this Agreement may be amended or waived by the Supplier or the Client at any time and from time to time in accordance with Section 7(b).

(h) Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if hand delivered or sent by overnight courier service, or by facsimile or other written form of electronic communication:

If to the Supplier at:

Sears Canada Inc.
290 Yonge Street, Suite 700
Toronto, Ontario M5B 2C3
Attention: Vice-President, Specialty Services
Facsimile: 416-941-4855

With a copy to:

Sears Canada Inc.
290 Yonge Street, Suite 700
Toronto, Ontario M5B 2C3

Attention: General Counsel
Facsimile: 416-941-2321

and if to the Client, at:

SHS Services Management Inc.
245, 1209 -59 Avenue SE
Calgary, Alberta T2H 2P6

Attention: President
Facsimile number: (403) 255-2839

or to such other address as shall be furnished in writing by the Supplier (on the one hand) or the Client (on the other hand), to the other. Any such notice or communication shall be deemed to have been received, in the case of hand-delivery, on the business day that it was delivered during normal business hours; in the case of overnight courier, on the following business day; and in the case of facsimile, on the same business day if transmitted by 4:00 p.m. (Eastern time) on that business day, and otherwise on the next business day following such transmission. Failure or delay in delivering any notice, demand, request, consent, approval, declaration or other communication to any Person designated to receive a copy thereof shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

(i) Designated Account. All payments made by the Client to the Supplier pursuant to this Agreement shall be made by wire transfer of immediately available funds to the bank account designated by the Supplier upon three days' written notice to the Client pursuant to Section 7(h).

(j) Severability. If at any time subsequent to the date hereof, any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon, and shall not impair the enforceability of, any other provision of this Agreement.

(k) Mutual Cooperation. The Parties shall cooperate with each other in connection with the performance of the Services hereunder, including producing on a timely basis all information that is reasonably requested with respect to the performance of the Services.

(l) Specific Performance. Each Party acknowledges that the rights of the Parties to enforce the covenants and agreements made by the other Party in this Agreement are special, unique, and of extraordinary character, and that, in the event a Party violates or fails and refuses to perform any covenant or agreement made by it herein, the other Party will be without adequate remedy at law. Each Party agrees, therefore, that in the event it violates or fails and refuses to perform any covenant or agreement made by it herein, the other Party, so long as such other Party is not in breach hereof, shall, in addition to any remedies available at law, be entitled to seek specific performance of such covenant or agreement or seek any other equitable remedy.

[SIGNATURE PAGE FOLLOWS]

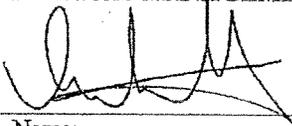
IN WITNESS WHEREOF, each of the Supplier and the Purchaser has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 
 Name: Peter Kalen
 Title: EVP, Sears Financial and Home Services


 Name: Pamela Murphy
 Title: VP, Specialty Services, Travel and Home Services

SHS SERVICES MANAGEMENT INC.

by 
 Name:
 Title:

 Name:
 Title:

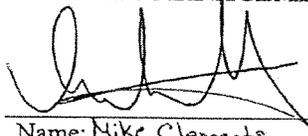
IN WITNESS WHEREOF, each of the Supplier and the Purchaser has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by _____
Name:
Title:

Name:
Title:

SHS SERVICES MANAGEMENT INC.

by  _____
Name: Mike Clements
Title: Director

Name:
Title:

SCHEDULE A

SCHEDULE OF SERVICES

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A1	<u>Information Technology and Financial Administration:</u> Support for, access to and use of Supplier's "NIO" Software systems, including calculation of sales commissions and production of sales commission statements.	\$0 during the first 9 weeks of the Servicing Term; \$30,000 per week thereafter	Day 1	9 weeks	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A2	<u>Contact Centre and In-Store Labour Administration:</u> Call centre services, including receiving and processing customer telephone calls and correspondence; coordination of In-Store Labour, including receiving calls, faxes and emails, and dispatching contractors.	\$26,350	Day 1	9 weeks	3 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A3	<u>BlackBerrys:</u> Use of Supplier's BlackBerrys for Hired Employees, and the telephone numbers associated with them.	\$7,650	Day 1	9 weeks	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A4	<u>Elver and Website Marketing Support:</u> marketing activities, including flyer and website design, development and production; website management and administration.	\$50 per hour	Day 1	9 weeks	2 weeks
A5	<u>InfoSys:</u> Support for, access to and use of Supplier's "InfoSys" Software systems, including calculation of HVAC rental business servicing hours.	\$675	Day 1	9 weeks	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A6	<u>Logistics and Handling</u> : Logistics and handling services, as well as short-term storage, provided in Supplier's facilities for Client's HVAC and carpeting merchandise...	\$11,000	Day 1	9 weeks	3 weeks
A7	<u>Daily Transaction Accounting</u> : Daily transaction accounting support, including processing of licensee sales and financial reporting (including credit card settlement and reconciliation).	\$5,250	Day 1	9 weeks	2 weeks

SCHEDULE B
REPORTING

As agreed from time to time between the Parties.

SCHEDULE C

SECURITY MEASURES

As provided in this Agreement, each Party will use its commercially reasonable efforts to (i) provide the Services using the same or similar technical, procedural and organizational security practices, policies and procedures in effect at the Closing and (ii) hold its assignees accountable to such practices, policies and procedures. Without limiting the foregoing:

- Each Party shall use commercially reasonable efforts to investigate any security attacks and threats that may adversely affect the Services being provided by such Party, as detected by intrusion detection or security monitoring systems or any other means in effect by such Party at such time.
- Each Party shall appoint and at all times have an information technology security manager or coordinator to coordinate security in respect of the Services. Specifically, this role should encompass: management of such Party's responsibilities for security incidents and performance of periodic self-assessments in order to assess overall compliance with the security measures then in effect by such Party.
- In the event that a Party detects a material threat (i.e., one where the Services being provided to the other Party, or any systems or networks owned by or used by the other Party, are adversely impacted), such Party will take commercially reasonable steps to prevent damage to such Services, systems or networks, and will promptly notify the other Party of such threat.
- Each Party will use its commercially reasonable efforts to establish and maintain safeguards against the access, destruction, loss or alteration of the other Party's data in its possession, which safeguards shall be no less vigorous than those in effect prior to the Closing with respect to Supplier.
- Each Party will use its commercially reasonable efforts to maintain effective and current protection against viruses and other malicious software.

Each Party shall use commercially reasonable efforts to comply with all security requirements or policies for access into the other Party's facilities made known or known to the accessing party, applicable to each location. Neither Party nor its employees shall attempt to access, copy or transmit systems or files except those known to be authorized for their access or necessary to perform or provide Services pursuant to this Agreement.



This is Exhibit "B" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

AMENDMENT TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of May 3, 2013, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between the Client and the Supplier (the "**Asset Transfer Agreement**");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under the Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between the Client and the Supplier (the "**Branded Concession Agreement**");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "**Original Agreement**"); as amended, the "**Transition Services Agreement**");

AND WHEREAS the Term of the Original Agreement is scheduled to end on May 4, 2013;

AND WHEREAS Client has requested and Supplier has agreed to continue to provide certain services during an extended transition period, and consequently to extend the Term of the Original Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Supplier and the Client do hereby agree as follows:

1. Service Fees

(a) The parties agree that, effective Day 1, Section 5 of the Original Agreement shall be deleted and replaced with the following:

5. Service Fees

As consideration for the Supplier providing the Services, the Client shall pay to the Supplier (i) a based fee of \$89,786 for the Fiscal Month (as defined in the Branded Concession Agreement) of March, \$90,000 for the Fiscal Month of April; (ii) beginning May 5, 2013, a weekly base fee of \$34,000 for each full or part week of the Service Term; and (iii) an additional fee for each Service delivered in such week at the rates specified in Schedule A ("**Service**

Fees"). Each weekly payment shall be due 30 days after the end of the Fiscal Month during which such weekly Service was delivered.

(b) The parties agree that, effective May 5, 2013, Schedule A shall be replaced with the Schedule A attached hereto.

2. Payment Settlement Services

(a) The parties agree that, effective Day 1 and until the end of the Term or such other time that the parties otherwise agree, despite anything to the contrary in Section 12.4 of the Branded Concession Agreement and Section 7(i) of the Transition Services Agreement, Supplier shall provide the following:

- (i) Supplier shall, on behalf of Client, make payments to Client's contractors and suppliers and such other Persons as requested by Client;
- (ii) Supplier shall, on behalf of Client, collect payments from Client's customers and such other Persons as requested by Client;
- (iii) Supplier shall, on behalf of Client, process credit card payments made to Client, for which Client shall pay Supplier 1.7% of the transaction volume made on Sears Cards and 1.85% of the transaction volume made on other credit cards;
- (iv) Supplier shall advance \$1,000,000 to Client every Friday. This amount will be reviewed monthly and revised as mutually agreed; and
- (v) On the second Monday of every Fiscal Month, the parties shall reconcile payments made by Client on behalf of Supplier, payments received by Client on behalf of Supplier, and amounts owed between the parties pursuant to the Branded Concession Agreement, the Sublease made March 2, 2013 between Supplier and Client, and the Transition Services Agreement, with remittance of the reconciled amount then being immediately made.

3. Termination by Supplier

(a) Supplier may notify Client that it is electing to terminate this Agreement early in whole or with respect to any or all of the Services, by providing Client with prior written notice of no less than two weeks.

4. Conditions Precedent

(a) This Amendment shall not become effective unless and until the following conditions shall have been met:

- (i) Agreement Re Termination Payment Contribution. The parties shall have entered into an agreement amending the Asset Transfer Agreement to extend

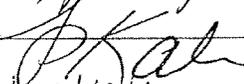
the Transition Period to coincide with the Term of the Transition Services Agreement.

- (ii) Completion of Waived Closing Conditions. The parties shall have completed the closing conditions that were waived in accordance with the letter agreement regarding waiver of closing conditions dated March 2, 2013.

IN WITNESS WHEREOF, each of the Supplier and the Purchaser has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 
 Name: Pamela Murphy
 Title: VP, Specialty Services, HIPS


 Name: Peter Katen
 Title: Executive Vice-President

SHS SERVICES MANAGEMENT INC.

by _____
 Name:
 Title:

 Name:
 Title:

the Transition Period to coincide with the Term of the Transition Services Agreement.

- (ii) Completion of Waived Closing Conditions. The parties shall have completed the closing conditions that were waived in accordance with the letter agreement regarding waiver of closing conditions dated March 2, 2013.

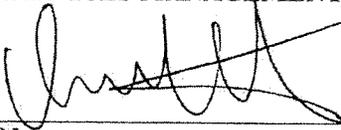
IN WITNESS WHEREOF, each of the Supplier and the Purchaser has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by _____
Name:
Title:

Name:
Title:

SHS SERVICES MANAGEMENT INC.

by  _____
Name:
Title: CEO

Name:
Title:

SCHEDULE A
REVISED SCHEDULE OF SERVICES

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A1	<u>Information Technology and Financial Administration:</u> Support for, access to and use of Supplier's "NIO" Software systems, including calculation of sales commissions and production of sales commission statements.	\$0	Day 1	Ending August 31, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A2	<u>Contact Centre:</u> Call centre services, including receiving and processing customer telephone calls and correspondence.	\$26,350	Day 1	Ending April 6, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A3	<u>BlackBerrys:</u> Use of Supplier's BlackBerrys for Hired Employees, and the telephone numbers associated with them.	\$7,650	Day 1	Ending March 22, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A4	<u>Flyer and Website Marketing Support:</u> marketing activities, including flyer and website design, development and production; website management and administration.	\$50 per hour	Day 1	Ending May 4, 2013	2 weeks
A5	<u>InfoSys:</u> Support for, access to and use of Supplier's "infoSys" Software systems, including calculation of HVAC rental business servicing hours.	\$875 until May 4, 2013; \$962 thereafter	Day 1	Ending August 31, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A6	<u>Logistics and Handling:</u> Logistics and handling services, as well as short-term storage, provided in Supplier's facilities for Client's HVAC and carpeting merchandise..	\$11,000 until May 4, 2013; \$14,500 thereafter	Day 1	Ending August 31, 2013	2 weeks
A7	<u>Daily Transaction Accounting:</u> Daily transaction accounting support, including processing of Licensee sales and financial reporting (including credit card settlement and reconciliation).	\$5,250	Day 1	Ending August 31, 2013	2 weeks

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A8	<u>BlackBerry Server</u> : use of Supplier's BlackBerry server and web domain	\$0	March 22, 2013	Ending August 31, 2013	2 weeks

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AMENDMENT NO. 2 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of September 1, 2013, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between the Client and the Supplier (the "Asset Transfer Agreement");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under the Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between the Client and the Supplier (the "Branded Concession Agreement");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "Original Agreement"; as amended, the "Transition Services Agreement");

AND WHEREAS the Client and Supplier agreed on an amendment to the Original Agreement whereby certain additional services were supplied and the Term of the Transition Services Agreement was extended to August 31, 2013 ("Amendment No. 1");

AND WHEREAS Client has requested and Supplier has agreed to continue to provide certain services during a further extended transition period, and consequently to extend the Term of the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Supplier and the Client do hereby agree as follows:

1. Services During Extended Term

(a) Effective September 1, 2013, Schedule A shall be replaced with the Schedule A attached hereto.

(b) Effective September 1, 2013, Schedule B shall be replaced with the Schedule B attached hereto.

(c) The Payment Settlement Services set out at Section 2 of Amendment No. 1 shall cease on August 31, 2013.

2. Payment Settlement Services (Work-in-Progress)

(a) The parties agree that, effective September 1, 2013 and until November 2, 2013 or such other time that the parties otherwise agree, Supplier shall provide the following payment settlement services with respect only to contracts entered into by Client with Client's customers for Products and Services (as defined in the Branded Concession Agreement) prior to September 1, 2013 (including any amendments to such customer contracts):

- (i) Supplier shall, on behalf of Client, make payments to Client's contractors and suppliers and such other Persons as requested by Client in connection with such customer contracts, provided (A) there is not then an outstanding payment obligation of Client to Supplier pursuant to this Agreement, the Branded Concession Agreement, or any other agreement between the parties; and either (B) Supplier has received payment from such customer with respect to such contract, in an amount equal to or greater than the payment to be made to such supplier or other Person; or (C) Client has paid to Supplier enough funds to cover the payment that Supplier is being requested to make to such supplier or other Person pursuant to this paragraph 2(a)(i);
- (ii) Supplier shall, on behalf of Client, collect payments from such Client's customers;
- (iii) Supplier shall, on behalf of Client, process credit card payments made to Client from such customers, for which Client shall pay Supplier 1.7% of the transaction volume made on Sears Cards and 1.85% of the transaction volume made on other credit cards;
- (iv) [Intentionally omitted];
- (v) On Monday, September 23, 2013, the parties shall reconcile amounts owing by one of the parties to the other as a result of the following formula reflecting amounts to be paid by Supplier to Client: $30\% \times 70\% \times$ ["in-month rung sales total" from Rung/Unrung Report (as defined in Schedule B) of September 16, 2013 minus "in-month rung sales total" from Rung/Unrung Report of September 2, 2013]. Remittance of the reconciled amount shall be made on September 23, 2013;
- (vi) On Monday, September 30, 2013, the parties shall reconcile amounts owing by one of the parties to the other as a result of the following formula reflecting amounts to be paid by Supplier to Client: $30\% \times 70\% \times$ ["in-month rung sales total" from Rung/Unrung Report of September 23, 2013 minus "in-month rung sales total" from Rung/Unrung Report of September 16, 2013]. Remittance of the reconciled amount shall be made on September 30, 2013;
- (vii) On Monday, October 7, 2013, the parties shall reconcile amounts owing by one of the parties to the other as a result of the following formula reflecting amounts to be paid by Supplier to Client: $30\% \times 70\% \times$ ["in-month rung sales total" from Rung/Unrung Report of September 30, 2013 minus "in-month

rung sales total" from Rung/Unrung Report of September 23, 2013]. Remittance of the reconciled amount shall be made on October 7, 2013;

- (viii) On Friday, October 11, 2013, the parties shall reconcile, with respect to the time period ending October 5, 2013, payments made by Client on behalf of Supplier, payments received by Client on behalf of Supplier, and amounts otherwise owed between the parties with respect to the time period ending October 5, 2013, with remittance of the reconciled amount then being immediately made.
- (ix) On Monday, October 21, 2013, the parties shall reconcile amounts owing by one of the parties to the other as a result of the following formula reflecting amounts to be paid by Supplier to Client: $30\% \times 70\% \times$ ["in-month rung sales total" from Rung/Unrung Report of October 14, 2013 minus "in-month rung sales total" from Rung/Unrung Report of October 7, 2013]. Remittance of the reconciled amount shall be made on October 21, 2013;
- (x) On Monday, October 28, 2013, the parties shall reconcile amounts owing by one of the parties to the other as a result of the following formula reflecting amounts to be paid by Supplier to Client: $30\% \times 70\% \times$ ["in-month rung sales total" from Rung/Unrung Report of October 21, 2013 minus "in-month rung sales total" from Rung/Unrung Report of October 14, 2013]. Remittance of the reconciled amount shall be made on October 28, 2013; and
- (xi) On Friday, November 8, 2013, the parties shall reconcile, with respect to the time period ending November 2, 2013, payments made by Client on behalf of Supplier, payments received by Client on behalf of Supplier, and amounts otherwise owed between the parties with respect to the time period ending November 2, 2013, with remittance of the reconciled amount then being immediately made.

3. Access to DOS and Client Record-Keeping (Logistics and Handling)

(a) For the duration of the Servicing Term of the Service identified at A6 on Schedule A, Supplier shall provide access to Client to Supplier's DOS computer ordering system. Client shall use such system only for ordering from suppliers with which Client has agreements, of HVAC and flooring merchandise purchased for resale in conjunction with the Client's business operated under the Branded Concession Agreement, and for no other purpose.

(b) Client shall sign all load sheets prepared by transporters bringing Client merchandise to Supplier's facilities. Client must keep such load sheets on file for a period of not less than two years after the end of the Term, and shall make available such load sheets to Supplier upon request.

4. Limitation of Liability

(a) In no event shall Supplier be liable for any indirect, special, incidental, punitive, exemplary or consequential damages (including damages for loss of profits) arising, directly or

SCHEDULE A
REVISED SCHEDULE OF SERVICES

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A1	<u>Information Technology and Financial Administration:</u> Support for, access to and use of Supplier's "NIO" Software systems, including calculation of sales commissions and production of sales commission statements.	\$0	Day 1	Ending November 2, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A2	<u>Contact Centre:</u> Call centre services, including receiving and processing customer telephone calls and correspondence.	\$26,350	Day 1	Ending April 6, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A3	<u>BlackBerrys:</u> Use of Supplier's BlackBerrys for Hired Employees, and the telephone numbers associated with them.	\$7,650	Day 1	Ending March 22, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A4	<u>Flyer and Website Marketing Support:</u> marketing activities, including flyer and website design, development and production; website management and administration.	\$50 per hour	Day 1	Ending May 4, 2013	2 weeks
A5	<u>InfoSys:</u> Support for, access to and use of Supplier's "InfoSys" Software systems, including calculation of HVAC rental business servicing hours.	\$875 until May 4, 2013; \$962 thereafter	Day 1	Ending November 30, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A6	<u>Logistics and Handling:</u> Logistics and handling services, as well as short-term storage, provided in Supplier's facilities for Client's HVAC and carpeting merchandise.	\$11,000 until May 4, 2013; \$14,500 until August 31, 2013; thereafter, per Fiscal Month, 3.2% of total Net Sales in such Fiscal Month of Products ordered through DOS, with payment due at the same time as the Maintenance and Administration Fee payments are due for such Fiscal Month	Day 1	Ending October 1, 2014.	2 weeks
A7	<u>Daily Transaction Accounting:</u> Daily transaction accounting support, including processing of Licensee sales and financial reporting (including credit card settlement and reconciliation).	\$5,250	Day 1	Ending November 2, 2013	2 weeks
A8	<u>BlackBerry Server:</u> use of Supplier's BlackBerry server and web domain	\$0	March 22, 2013	Ending August 31, 2013	2 weeks

SCHEDULE B
REPORTING

By Supplier to Client:

No later than 13 days following the end of each Fiscal Month, Supplier will provide to Client the following monthly reports:

- DOS Orders: containing a complete list of orders placed in such month by Client through Supplier's DOS computer ordering system.
- DOS Month-End Inventory: containing a list of Client's inventory located at each of the Supplier's distribution centres, as reflected in Supplier's DOS computer ordering system.

By Client to Supplier:

No later than 5 days following the end of each week, Client shall provide Supplier with reports of its records of all orders made through DOS.

Each day except Saturday and Sunday, Client shall provide Supplier with daily reports of "Rung & Unrung Sales", which Client shall generate from Supplier's NIO system (the "Rung & Unrung Report").

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AMENDMENT NO. 3 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of October 31, 2013, by and between SHS Services Management Inc. ("**Client**") and Sears Canada Inc. ("**Supplier**")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between the Client and the Supplier (the "**Asset Transfer Agreement**");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under the Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between the Client and the Supplier (the "**Branded Concession Agreement**");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "**Original Agreement**");

AND WHEREAS the Client and Supplier agreed to amend the Original Agreement by amending agreement dated May 3, 2013 and again by a subsequent amending agreement dated September 1, 2013 (the Original Agreement, as amended, hereby referred to as the "**Transition Services Agreement**");

AND WHEREAS the Client and Supplier, among others, have entered into that certain Letter of Understanding dated September 30, 2013, as amended October 15, 2013, pursuant to which the parties agreed, among other things, to amend the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Supplier and the Client do hereby agree as follows:

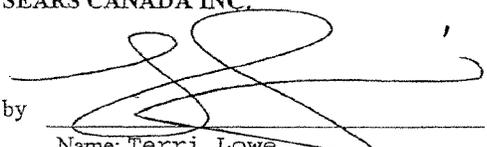
1. Elimination of Weekly Base Fee

- (a) Section 5(a)(i) of the Original Agreement is hereby deleted.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of the Supplier and the Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 

Name: Terri Lowe
Title: Vice-President, Hometown Stores



Name: Greg Guyatt
Title: Vice-President, Corporate Controller

SHS SERVICES MANAGEMENT INC.

by _____

Name:
Title:

IN WITNESS WHEREOF, each of the Supplier and the Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by _____

Name:

Title:

Name:

Title:

SHS SERVICES MANAGEMENT INC.

by _____

Name:

Title:

Name:

Title:

AMENDMENT NO. 4 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of November 1, 2013, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between the Client and the Supplier (the "Asset Transfer Agreement");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under the Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between the Client and the Supplier (the "Branded Concession Agreement");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "Original Agreement");

AND WHEREAS the Client and Supplier agreed to amend the Original Agreement by amending agreement dated May 3, 2013 and again by a subsequent amending agreements dated September 1, 2013 and October 31, 2013 (the Original Agreement, as amended, hereby referred to as the "Transition Services Agreement");

AND WHEREAS Client has requested and Supplier has agreed to further amend the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Supplier and the Client do hereby agree as follows:

1. Services During Extended Term

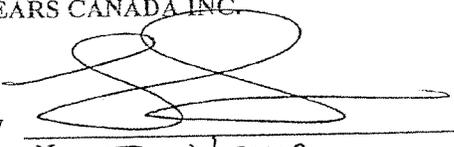
(a) Effective November 1, 2013, Schedule A shall be replaced with the Schedule A attached hereto.

[SIGNATURES FOLLOW]

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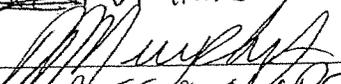
IN WITNESS WHEREOF, each of the Supplier and the Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

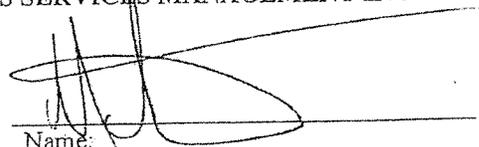


by

Name: Terri Lowe
Title: ~~VP~~ VP Homecyn & Home ^{prop} _{invest}


Name:
Title: VP SSA MRS

SHS SERVICES MANAGEMENT INC.



by

Name:
Title: President Dec 4/2013

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SCHEDULE A
REVISED SCHEDULE OF SERVICES

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A1	<u>Information Technology and Financial Administration:</u> Support for, access to and use of Supplier's "NIO" Software systems, including calculation of sales commissions and production of sales commission statements.	\$0	Day 1	Ending November 30, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A2	<u>Contact Centre:</u> Call centre services, including receiving and processing customer telephone calls and correspondence.	\$26,350	Day 1	Ending April 6, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A3	<u>BlackBerrys:</u> Use of Supplier's BlackBerrys for Hired Employees, and the telephone numbers associated with them.	\$7,650	Day 1	Ending March 22, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A4	<u>Flyer and Website Marketing Support:</u> marketing activities, including flyer and website design, development and production; website management and administration.	\$50 per hour	Day 1	Ending May 4, 2013	2 weeks
A5	<u>InfoSys:</u> Support for, access to and use of Supplier's "InfoSys" Software systems, including calculation of HVAC rental business servicing hours.	\$875 until May 4, 2013; \$962 thereafter	Day 1	Ending January 31, 2014	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A6	<u>Logistics and Handling:</u> Logistics and handling services, as well as short-term storage, provided in Supplier's facilities for Client's HVAC and carpeting merchandise.	\$11,000 until May 4, 2013; \$14,500 until August 31, 2013; thereafter, per Fiscal Month, 3.2% of total Net Sales in such Fiscal Month of Products ordered through DOS, with payment due at the same time as the Maintenance and Administration Fee payments are due for such Fiscal Month	Day 1	Ending October 1, 2014.	2 weeks
A7	<u>Daily Transaction Accounting:</u> Daily transaction accounting support, including processing of Licensee sales and financial reporting (including credit card settlement and reconciliation).	\$5,250	Day 1	Ending November 2, 2013	2 weeks
A8	<u>BlackBerry Server:</u> use of Supplier's BlackBerry server and web domain	\$0	March 22, 2013	Ending August 31, 2013	2 weeks



IN WITNESS WHEREOF, each of the Supplier and the Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 
 Name: Fem Lau
 Title: VP, maintain stores & Catalogue


 Name: JR. H. B. / Hand. Specialty
 Title: Hand. Specialty

**SHS SERVICES MANAGEMENT INC. BY
ITS RECEIVER,
PRICEWATERHOUSECOOPERS INC.**

by 
 Name: Miss Arlette
 Title: Senior Vice-President

SCHEDULE A
REVISED SCHEDULE OF SERVICES

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A1	<u>Information Technology and Financial Administration:</u> Support for, access to and use of Supplier's "NIO" Software systems, including calculation of sales commissions and production of sales commission statements.	\$0	Day 1	Ending November 30, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A2	<u>Contact Centre:</u> Call centre services, including receiving and processing customer telephone calls and correspondence.	\$26,350	Day 1	Ending April 6, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A3	<u>BlackBerrys:</u> Use of Supplier's BlackBerrys for Hired Employees, and the telephone numbers associated with them.	\$7,650	Day 1	Ending March 22, 2013	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month
A4	<u>Flyer and Website Marketing Support:</u> marketing activities, including flyer and website design, development and production; website management and administration.	\$50 per hour	Day 1	Ending May 4, 2013	2 weeks
A5	<u>InfoSys:</u> Support for, access to and use of Supplier's "InfoSys" Software systems, including calculation of HVAC rental business servicing hours.	\$875 until May 4, 2013; \$962 thereafter	Day 1	Ending March 15, 2014	2 weeks; provided Servicing Term shall end at the end of a Fiscal Month

	Description	Service Fee (Per week unless otherwise indicated)	Service Start Date	Servicing Term	Early Termination Notice Period
A6	<u>Logistics and Handling</u> : Logistics and handling services, as well as short-term storage, provided in Supplier's facilities for Client's HVAC and carpeting merchandise.	\$11,000 until May 4, 2013; \$14,500 until August 31, 2013; thereafter, per Fiscal Month, 3.2% of total Net Sales in such Fiscal Month of Products ordered through DOS, with payment due at the same time as the Maintenance and Administration Fee payments are due for such Fiscal Month	Day 1	Ending October 1, 2014.	2 weeks
A7	<u>Daily Transaction Accounting</u> : Daily transaction accounting support, including processing of Licensee sales and financial reporting (including credit card settlement and reconciliation).	\$5,250	Day 1	Ending November 2, 2013	2 weeks
A8	<u>BlackBerry Server</u> : use of Supplier's BlackBerry server and web domain	\$0	March 22, 2013	Ending August 31, 2013	2 weeks

AMENDMENT NO. 6 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of March 15, 2014, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between Client and Supplier (the "Asset Transfer Agreement");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between Client and Supplier (the "Branded Concession Agreement");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "Original Agreement");

AND WHEREAS Client and Supplier agreed to amend the Original Agreement by amending agreement dated May 3, 2013 and again by subsequent amending agreements dated September 1, 2013, October 31, 2013, November 1, 2013 and January 31, 2014 (the Original Agreement, as amended, hereby referred to as the "Transition Services Agreement");

AND WHEREAS Client and Supplier have agreed to further amend the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Supplier and Client do hereby agree as follows:

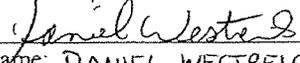
1. Extension of InfoSvs Servicing Term

(a) Schedule A to the Transition Services Agreement shall be amended so that the Servicing Term for the Service described as "InfoSys" (Item A6 on Schedule A) shall end on April 15, 2014.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of Supplier and Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 
Name: Pamela Murphy
Title: VP, S&A/PB

Name: DANIEL WESTREICH
Title: DVP, Senior Corporate Counsel

SHS SERVICES MANAGEMENT INC. BY
ITS RECEIVER,
PRICEWATERHOUSECOOPERS INC.

by 
Name: Mica Arlette
Title: Senior Vice President



AMENDMENT NO. 7 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of April 15, 2014, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between Client and Supplier (the "**Asset Transfer Agreement**");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between Client and Supplier (the "**Branded Concession Agreement**");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "**Original Agreement**");

AND WHEREAS Client and Supplier agreed to amend the Original Agreement by amending agreement dated May 3, 2013 and again by subsequent amending agreements dated September 1, 2013, October 31, 2013, November 1, 2013, January 31, 2014 and March 15, 2014 (the Original Agreement, as amended, hereby referred to as the "**Transition Services Agreement**");

AND WHEREAS Client and Supplier have agreed to further amend the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Supplier and Client do hereby agree as follows:

1. Extension of InfoSvs Servicing Term

(a) Schedule A to the Transition Services Agreement shall be amended so that the Servicing Term for the Service described as "InfoSys" (Item A5 on Schedule A) shall end on June 15, 2014.

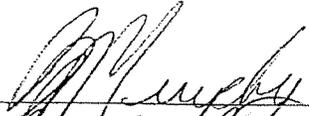
2. Termination of Logistics and Handling Servicing Term

(a) Schedule A to the Transition Services Agreement shall be amended so that the Servicing Term for the Service described as "Logistics and Handling" (Item A6 on Schedule A) shall end effective April 15, 2014.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of Supplier and Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by 
Name: Pamela Murphy
Title: VP. Specialty & Home,

Name: DANIEL WESTREICH
Title: Divisional Vice-President

SHS SERVICES MANAGEMENT INC. BY
ITS RECEIVER,
PRICEWATERHOUSECOOPERS INC.

by 
Name: Mica Arlette
Title: Senior Vice-President

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AMENDMENT NO. 8 TO TRANSITION SERVICES AGREEMENT

This AMENDMENT is dated as of June 15, 2014, by and between SHS Services Management Inc. ("Client") and Sears Canada Inc. ("Supplier")

RECITALS

WHEREAS On March 2, 2013, Supplier transferred assets to Client, pursuant to that certain Asset Transfer Agreement dated December 20, 2012, between Client and Supplier (the "Asset Transfer Agreement");

AND WHEREAS concurrent with the execution and delivery of the Asset Transfer Agreement, Supplier provided a license to Client to operate a concession under Supplier's branding, pursuant to that certain Branded Concession Agreement dated December 20, 2012, between Client and Supplier (the "Branded Concession Agreement");

AND WHEREAS concurrent with the Branded Concession Agreement, Client had requested and Supplier had agreed that Supplier shall provide certain services to Client during a transitional period in accordance with the terms and conditions of the Transition Services Agreement dated as of February 28, 2013 between Client and Supplier (the "Original Agreement");

AND WHEREAS Client and Supplier agreed to amend the Original Agreement by amending agreement dated May 3, 2013 and again by subsequent amending agreements dated September 1, 2013, October 31, 2013, November 1, 2013, January 31, 2014, March 15, 2014 and April 15, 2014 (the Original Agreement, as amended, hereby referred to as the "Transition Services Agreement");

AND WHEREAS Client and Supplier have agreed to further amend the Transition Services Agreement;

NOW THEREFORE in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Supplier and Client do hereby agree as follows:

1. Extension of InfoSvs Servicing Term

(a) Schedule A to the Transition Services Agreement shall be amended so that the Servicing Term for the Service described as "InfoSys" (Item A5 on Schedule A) shall end on July 15, 2014.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of Supplier and Client has caused this Agreement to be executed by one of its duly authorized officers or representatives as of the date first above written.

SEARS CANADA INC.

by *R. Murphy*
Name: *Ronald Murphy*
Title: *VP, Specialty, HIPS*

Daniel Westreich
Name: DANIEL WESTREICH
Title: Divisional Vice-President

SHS SERVICES MANAGEMENT INC. BY
ITS RECEIVER,
PRICEWATERHOUSECOOPERS INC.

by *Mica Arlette*
Name: Mica Arlette
Title: Senior Vice President



This is Exhibit "C" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

THIS SUBLEASE made as of the 2nd day of March, 2013

IN PURSUANCE OF THE *SHORT FORMS OF LEASES ACT*

BETWEEN:

SEARS CANADA INC.
("Sears")

- and -

SHS SERVICES MANAGEMENT INC.
(the "Subtenant")

WITNESSES THAT WHEREAS:

- (a) By various leases (the "Head Lease") made between various landlords. (the "Head Landlord") and Sears as tenant, the Head Landlord did demise and lease unto Sears certain premises as more particularly set out in the Head Lease (hereinafter called the "Demised Premises"); and
- (b) Sears and the Subtenant have agreed to enter into a Sublease of the Demised Premises, the locations of which are set out on Schedule "A" attached hereto (the "Subleased Premises"), on such terms as are hereinafter set forth;

NOW THEREFORE in consideration of the rents, covenants and agreements herein contained, Sears and Subtenant agree as follows:

DEMISED TERM

1. Sears hereby subleases the Subleased Premises to the Subtenant; TO HAVE AND TO HOLD THE Subleased Premises for a term (the "Term") to commence on March 3, 2013 (hereinafter called the "Commencement Date") and to expire on May 2, 2013 (the "Initial Term").

Provided the Subtenant is not in default hereunder, this Sublease shall automatically renew for successive one (1) month renewal terms, (each one month renewal is called a "Renewal Term" and collectively called the "Renewal Terms") on the same terms and conditions as this Sublease.

The Initial Term and any Renewal Terms or such shorter period provided for in this Sublease shall be collectively called the "Term".

Either party may terminate this Sublease with respect to any or all of the Subleased Premises as set out in Schedule "A", by providing at least two (2) weeks written notice of such termination to the other party, provided that the effective date of any such termination shall not be earlier than May 2, 2013. Upon the effective date of such termination, the Subtenant shall have no further

obligation to pay rent, common area maintenance, real estate taxes, utilities or maintenance, as set out in Schedule "A", for the Subleased Premises to which the termination relates.

RENT

2. Commencing on May 1, 2013, the Subtenant agrees to pay rent to Sears in the amount set out in Schedule "A" per square foot of the Subleased Premises per annum plus GST during the Term, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term.

All payments required to be paid by the Subtenant pursuant to the terms of this Sublease shall be made to Sears as advised by Sears to the Subtenant in writing.

The parties agree that in the event a discrepancy is discovered in the area of the Subleased Premises, the parties will adjust the rent and additional rent payable hereunder.

ADDITIONAL RENT, TAXES AND OFFICE AMENITIES

3. The Subtenant agrees to pay to Sears as additional rent, commencing on May 1, 2013 and thereafter throughout the Term, an amount for common area maintenance, real estate taxes, utilities and maintenance, all as set out in Schedule "A", per square foot of the Subleased Premises per annum plus HST during the Term, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term.

In addition to the payment of the additional rent set out above, the Subtenant shall pay to Sears, commencing on the Commencement Date, the sum of \$45,000.00 per month during the Term for the office amenities which are currently provided to the Sears Home Services employees and which will continue to be provided to the Subtenant's employees in the Subleased Premises (including, telephone, computers, photocopying and fax machines) plus HST, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term. The parties agree that in the event of any termination of any Subleased Premises as set out in Section 1, the monthly payment for amenities in the sum of \$45,000.00 per month, as set out in this paragraph shall be reduced by a proportionate amount based on the square footage of the Subleased Premises to which the termination relates.

GENERAL COVENANTS OF THE SUBTENANT

4. The Subtenant covenants with Sears:

- 3 -

- (a) to pay rent, additional rent, taxes and the amenities payment;
- (b) to keep the Subleased Premises clean and in a good and tenantable condition;
- (c) The Subtenant acknowledges that it is subleasing the Subleased Premises on an "as is" basis;
- (d) take out and keep in force during the Term, such insurance as a prudent subtenant would; and
- (e) not to assign, sublet or part with possession of all or any part of the Subleased Premises without the prior written consent of Sears which consent shall not be unreasonably withheld by Sears.

REPRESENTATIONS AND WARRANTIES

5. Sears hereby represents and warrants to the Subtenant that:
- (a) the Head Lease is in full force and effect and has not been amended;
 - (b) all rents and other amounts payable under the Head Lease have been paid up to and including the 1st day of March, 2013 ; and
 - (c) neither Sears nor the Head Landlord is in default under the Lease nor is there any circumstance existing which would give rise to any such default.

TAXES

- 6 The Subtenant shall pay all business taxes in respect of the business carried on by the Subtenant in and upon or by reason of its occupancy of the Subleased Premises.

USE

- 7 The Subleased Premises shall be used only for the Home Services business strictly in accordance with all governmental laws, by-laws and regulations.

COVENANTS OF SEARS

8. Sears covenants with the Subtenant:
- (a) for quiet enjoyment;
 - (b) to enforce its rights as tenant under the Head Lease against the Head Landlord for the benefit of the Subtenant;
 - (c) to perform all of Sears' obligations under this Sublease; and

(d) to perform all of Sears' obligations under the Head Lease which materially affect the Subleased Premises.

ALTERATIONS, ADDITIONS, IMPROVEMENTS, SIGNS, ETC.

9. Subtenant shall make no alterations, additions, improvements to the Subleased Premises without Sears consent.

NOTICE

10. Any notice to be given hereunder shall be in writing and may be served either personally or by registered mail or by facsimile. Any such notice:

(a) in the case of Sears shall be served on Sears at:

290 Yonge Street
Toronto, Ontario
M5B 2C3

Fax No. 416- 941-2321

Attention: Secretary

(b) in the case of the Subtenant shall be served on the Subtenant at the Subleased Premises with a copy to the Subtenant at:

245, 1209 – 59 Avenue SE
Calgary, Alberta T2H 2P6

Fax No. 403-255-2859

Attention: Director

Any party may change the address set out above by appropriate written notice to the other party. In any case, any such written notice shall be deemed to have been received on the date of its delivery or, if mailed, three (3) business days after the mailing thereof.

ENUREMENT

11. This Sublease shall enure to the benefit of and be binding upon the respective successors and assigns of Sears and upon the permitted successors and assigns of the Subtenant.

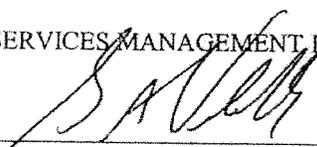
IN WITNESS WHEREOF the parties hereto have executed this Sublease.

SEARS CANADA INC.

Per: 
Name: Peter Kalen
Position: EVP, Sears Financial and Home Services

Per: 
Name: Pamela Murphy
Position: VP, Specialty Services, Travel & Home Services

SHS SERVICES MANAGEMENT INC.

Per: 
Name:
Position:

Per: _____
Name:
Position:

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THIS SUBLEASE made as of the 1st day of May, 2013

IN PURSUANCE OF THE *SHORT FORMS OF LEASES ACT*

B E T W E E N:

SEARS CANADA INC.
("Sears")

- and -

SHS SERVICES MANAGEMENT INC.
(the "Subtenant")

WITNESSES THAT WHEREAS:

- (a) By various leases (the "Head Lease") made between various landlords. (the "Head Landlord") and Sears as tenant, the Head Landlord did demise and lease unto Sears certain premises as more particularly set out in the Head Lease (hereinafter called the "Demised Premises");and
- (b) Sears and the Subtenant have agreed to enter into a Sublease of the Demised Premises, the locations of which are set out on Schedule "A" attached hereto (the "Subleased Premises"), on such terms as are hereinafter set forth;

NOW THEREFORE in consideration of the rents, covenants and agreements herein contained, Sears and Subtenant agree as follows:

DEMISED TERM

1. Sears hereby subleases the Subleased Premises to the Subtenant; TO HAVE AND TO HOLD THE Subleased Premises for a term (the "Term") to commence on May 1, 2013 (hereinafter called the "Commencement Date") and to expire on August 31, 2013 (the "Initial Term").

Provided the Subtenant is not in default hereunder, this Sublease shall automatically renew for successive one (1) month renewal terms, (each one month renewal is called a "Renewal Term" and collectively called the "Renewal Terms") on the same terms and conditions as this Sublease.

The Initial Term and any Renewal Terms or such shorter period provided for in this Sublease shall be collectively called the "Term".

Either party may terminate this Sublease with respect to any or all of the Subleased Premises as set out in Schedule "A", by providing at least two (2) weeks written notice of such termination to the other party. Upon the effective date of such termination, the Subtenant shall have no further

obligation to pay rent, common area maintenance, real estate taxes, utilities or maintenance, as set out in Schedule "A", for the Subleased Premises to which the termination relates.

RENT

2. Commencing on May 1, 2013, the Subtenant agrees to pay rent to Sears in the amount of \$0.00 (nil) per square foot of the Subleased Premises per annum plus GST during the Term, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term. For clarity the rent set out in Schedule "A" shall not apply.

All payments required to be paid by the Subtenant pursuant to the terms of this Sublease shall be made to Sears at the address stipulated from time to time for receipt of notices.

The parties agree that in the event a discrepancy is discovered in the area of the Subleased Premises, the parties will adjust the rent and additional rent payable hereunder.

ADDITIONAL RENT, TAXES AND OFFICE AMENITIES

3. The Subtenant agrees to pay to Sears as additional rent, commencing on May 1, 2013 and thereafter throughout the Term, an amount for common area maintenance, real estate taxes, utilities and maintenance, all as set out in Schedule "A", per square foot of the Subleased Premises per annum plus HST during the Term, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term .

In addition to the payment of the additional rent set out above, the Subtenant shall pay to Sears, commencing on the Commencement Date, the sum of \$45,000.00 per month during the Term for the office amenities which are currently provided to the Sears Home Services employees and which will continue to be provided to the Subtenant's employees in the Subleased Premises (including, telephone, computers, photocopying and fax machines) plus HST, in lawful money of Canada, without any prior demand therefor and without any deduction, abatement or set-off, payable in equal consecutive monthly instalments (or a proportionate amount for partial months) each in advance on the first day of each calendar month during the Term . The parties agree that in the event of any termination of any Subleased Premises as set out in Section 1, the monthly payment for amenities in the sum of \$45,000.00 per month, as set out in this paragraph shall be reduced by a proportionate amount based on the square footage of the Subleased Premises to which the termination relates.

GENERAL COVENANTS OF THE SUBTENANT

4. The Subtenant covenants with Sears:

- 3 -

- (a) to pay rent, additional rent, taxes and the amenities payment;
- (b) to keep the Subleased Premises clean and in a good and tenantable condition;
- (c) The Subtenant acknowledges that it is subleasing the Subleased Premises on an "as is" basis;
- (d) take out and keep in force during the Term, such insurance as a prudent subtenant would; and
- (e) not to assign, sublet or part with possession of all or any part of the Subleased Premises without the prior written consent of Sears which consent shall not be unreasonably withheld by Sears.

REPRESENTATIONS AND WARRANTIES

5. Sears hereby represents and warrants to the Subtenant that:
- (a) the Head Lease is in full force and effect and has not been amended;
 - (b) all rents and other amounts payable under the Head Lease have been paid up to and including the 1st day of May, 2013 ; and
 - (c) neither Sears nor the Head Landlord is in default under the Lease nor is there any circumstance existing which would give rise to any such default.

TAXES

- 6 The Subtenant shall pay all business taxes in respect of the business carried on by the Subtenant in and upon or by reason of its occupancy of the Subleased Premises.

USE

- 7 The Subleased Premises shall be used only for the Home Services business strictly in accordance with all governmental laws, by-laws and regulations.

COVENANTS OF SEARS

8. Sears covenants with the Subtenant:
- (a) for quiet enjoyment;
 - (b) to enforce its rights as tenant under the Head Lease against the Head Landlord for the benefit of the Subtenant;
 - (c) to perform all of Sears' obligations under this Sublease; and

(d) to perform all of Sears' obligations under the Head Lease which materially affect the Subleased Premises.

ALTERATIONS, ADDITIONS, IMPROVEMENTS, SIGNS, ETC.

9. Subtenant shall make no alterations, additions, improvements to the Subleased Premises without Sears consent.

NOTICE

10. Any notice to be given hereunder shall be in writing and may be served either personally or by registered mail or by facsimile. Any such notice:

(a) in the case of Sears shall be served on Sears at:

290 Yonge Street
Toronto, Ontario
M5B 2C3

Fax No. 416 941 2321

Attention: Secretary

(b) in the case of the Subtenant shall be served on the Subtenant at the Subleased Premises with a copy to the Subtenant at:

245, 1209 – 59 Avenue SE
Calgary, Alberta T2H 2P6

Fax No. 403-255-2859

Attention: Director

Any party may change the address set out above by appropriate written notice to the other party. In any case, any such written notice shall be deemed to have been received on the date of its delivery or, if mailed, three (3) business days after the mailing thereof.

ENUREMENT

11. This Sublease shall enure to the benefit of and be binding upon the respective successors and assigns of Sears and upon the permitted successors and assigns of the Subtenant. This Sublease supercedes any prior sublease regarding the Subleased Premises, with respect to the Term herein.

IN WITNESS WHEREOF the parties hereto have executed this Sublease.

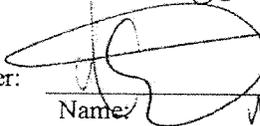
SEARS CANADA INC.

Per: _____
Name:
Position:

Per: _____
Name:
Position

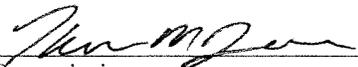
SHS SERVICES MANAGEMENT INC.

Per: 
Name: Mr. Clements
Position: CEO

Per: 
Name: Michael Strzeczow
Position: President

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This is Exhibit "D" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

Associate Q&A Meeting Invitation

Date: January 8, 2013 2PM Eastern Time
To: RSMs, DSMs, IMs, and Home Improvements Leadership
CC: HR Business Partners
From: Terri Lowe, Vice-President, Home Services

Meeting Invite

<<Please cascade to your teams.>>

Good Morning, Everyone,

We are beginning a significant step towards improving the future of the Sears Home Services brand. I want to again say how excited I am to be partnering with one of the industry's leading installation services companies. I am confident this partnership will greatly enhance both the Sears Home Services brand position as well as the associate experience.

I am sure that many of you have questions you would like to ask. As promised in today's announcement, we have scheduled a series of calls on Thursday to allow you to ask these important questions.

These one-hour calls will be held at the times and days listed below. Please click on the link to register -- there are a limited number of spaces per call, but there are enough calls for everyone to join one.

Wednesday, January 9

Time	Dial-In Number and Code	Registration Link
11 a.m. Eastern Time (French language only)	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall1
12 noon Eastern Time (French language only)	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall2
1:30 p.m. Eastern Time	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall3
2:30 p.m. Eastern Time	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall4
3:30 p.m. Eastern Time	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall5
4:30 p.m. Eastern Time	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall6
5:30 p.m. Eastern Time	1-877-343-2259 Code: 7422107	https://www.surveymonkey.com/s/HICall7

If you have issues signing up, please work with your manager.

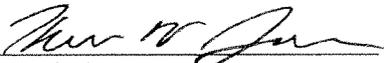
I would like to ask that you send your questions the day before your call using this link: <https://www.surveymonkey.com/s/HIQuestions>. That way we can make sure we have the answer to your question or begin looking for it.

I look forward to speaking with you.

Terri Lowe
Vice-President, Home Services

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This is Exhibit "E" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.


A Commissioner, etc.

From: Sternberg, Arlen
Sent: June-15-16 3:52 PM
To: Michael Peerless (McKenzie Lake Lawyers); lombardi@mckenzielake.com
Cc: 'Gordon.Capern@paliaroland.com'; Brett G. Harrison (brett.harrison@mcmillan.ca);
Jeff W. Moroz (jmoroz@mcleod-law.com); Jackson, Trisha; Wise, Rebecca; Laskin, Aria
Subject: Sears Canada Inc. et al ats Barry Patrick Kenny
Attachments: L to McKenzie Lake Lawyers - June 15, 2016.pdf

Counsel: Please see the attached letter.

Arlen K. Sternberg

P. 416.865.8203

TORYS
LLP

79 Wellington St. W., 30th Floor
Box 270, TD South Tower
Toronto, Ontario M5K 1N2 Canada
P. 416.865.0040 | F. 416.865.7380
www.torys.com

Arlen K. Sternberg
asternberg@torys.com
P. 416.865.8203

June 15, 2016

BY EMAIL

Michael Peerless and Sabrina Lombardi
McKenzie Lake Lawyers LLP
140 Fullarton St., Suite 1800
London, ON N6A 5P2

Dear Counsel:

**Re: Sears Canada Inc. et al. ats Barry Patrick Kenny
Court File No. 208/15**

In connection with your certification motion material, we are writing in respect of your proposed class definition.

We read paragraph 12 of your notice of motion and paragraph 7 of Mr. McNair's affidavit to mean that the proposed class consists of those employees whose employment with SHS Services Management Inc. started on March 2, 2013 and lasted until December 13, 2013 (i.e. employees who were employed throughout that time period). We ask that you please confirm that our understanding is correct (and if not, please advise).

Yours truly,



Arlen K. Sternberg

AKS/tp

c: Gordon Capern, Paliare Roland Rosenberg Rothstein LLP (counsel for Stephen Verhoeff and Paul Verhoeff)
Brett Harrison, McMillan LLP (counsel for the Receiver)
Jeff Moroz, McLeod Law LLP (counsel for Michael Clements)



From: Sabrina Lombardi (McKenzie Lake Lawyers) <lombardi@mckenzielake.com>
Sent: June-22-16 9:57 AM
To: Sternberg, Arlen; Michael Peerless (McKenzie Lake Lawyers); Emily Assini (McKenzie Lake Lawyers)
Cc: 'Gordon.Capern@paliarerland.com'; Brett G. Harrison (brett.harrison@mcmillan.ca); Jeff W. Moroz (jmoroz@mcleod-law.com); Jackson, Trisha; Wise, Rebecca; Laskin, Aria
Subject: RE: Sears Canada Inc. et al ats Barry Patrick Kenny

Yes, your understanding of the class dates is correct.

SABRINA LOMBARDI

Direct Dial: 519.667.2645
519-672-5666 ext.384 1-800-261-4844 F:519-672-2674
lombardi@mckenzielake.com www.mckenzielake.com

KIM JONES Law Clerk
jones@mckenzielake.com | 519-672-5666 ext. 458

MARTHA EDWARDS Law Clerk
edwards@mckenzielake.com | 519-672-5666 ext. 459

McKenzie Lake Lawyers LLP, 1800-140 Fullarton Street,
London, ON N6A 5P2

Important: This communication (including any attachments) may contain confidential information and any rights to privilege have not been waived.

From: Sternberg, Arlen [mailto:asternberg@torys.com]
Sent: June-15-16 3:52 PM
To: Michael Peerless (McKenzie Lake Lawyers); Sabrina Lombardi (McKenzie Lake Lawyers)
Cc: 'Gordon.Capern@paliarerland.com'; Brett G. Harrison (brett.harrison@mcmillan.ca); Jeff W. Moroz (jmoroz@mcleod-law.com); Jackson, Trisha; Wise, Rebecca; Laskin, Aria
Subject: Sears Canada Inc. et al ats Barry Patrick Kenny

Counsel: Please see the attached letter.

Arlen K. Sternberg

P. 416.865.8203 | F. 416.865.7380 | 1.800.505.8679
79 Wellington St. W., 30th Floor, Box 270, TD South Tower
Toronto, Ontario M5K 1N2 Canada | www.torys.com

TORYS
LLP

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This is Exhibit "F" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

SHS

services management

125 Commercial Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 18th, 2013

PERSONAL AND CONFIDENTIAL

██████████
c/o Sears Canada Inc.
700 - 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear ██████████

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (Sears), has entered into an agreement whereby SHS Services Management Inc. (SHS) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (the Transaction). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (the Closing Date).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Operations Manager.

2. Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing (the Commencement Date), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as 5/1/2011.

3. Location & Hours of Work

You will relocate to work out of SHS's Hamilton branch. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the Term).

5. Reporting

In the capacity of Operations Manager, you will report to Regional Operations Manager.

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your annual base salary (**Base Salary**) will be \$85000, less required statutory deductions, and you will be paid in accordance with SHS's usual payroll practices. Your hourly rate will be subject to an annual review by SHS.

Relocation Allowance

You will receive a Relocation Allowance of \$10,000, less required statutory deductions on the last pay period of March. You are encouraged to check with Canada Revenue Agency regarding eligible deductions for "moving expenses". This is a one-time bonus being paid to you to provide you with some cost relief as you transition from the Ottawa branch to the Hamilton branch. In the event you resign or your employment with SHS is terminated with cause before March 1st, 2014 you will be required to repay the full \$10,000 amount within 3 days of resignation or notice of with cause termination.

Short Term Incentive Plan (STIP)

You are entitled to participate in SHS' annual Short Term Incentive Plan. SHS reserves the right to revise and amend its Short Term Incentive Plan in its sole discretion from time to time. Please see the enclosed 2013 Short Term Incentive Plan document.

8. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

9. Vacation

You will be entitled to paid vacation of 4 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

10. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

11. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

12. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

13. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the Protected Parties), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the Confidential Information). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

14. Personal Data and Privacy

You consent that:

- (1) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (2) Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- a) Ensuring that you are paid for the services performed for SHS;
- b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential

requiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

15. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

16. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

17. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Wednesday, February 27th, 2013, 12:00pm EST.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via email to SHS Services Management Inc. by February 27th, 2013. Email your signed document to: humanresources@shsServices.ca

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th - March 1st, or by email at humanresources@shsServices.ca.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: 

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 27 day of February, 2013.

Signature: 




Understanding of Employment and/or Engagement Form

(Section 1: To be completed by YOU, the employee)

I, [redacted], understand that SHS Services Management Inc. is a Licensee of Sears Canada Inc. authorized to operate a business operating under the "Sears Home Services" banner.

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

Employee Signature or Licensee's Representative: [Signature]

Date: FEB 24/13

(Section 2: To be completed by SHS Services Management Inc, the Licensee)

I, Alexandra Felix of SHS Services Management Inc. am authorized to sign on (Print Authorized Licensee Signatory Name)

behalf of Kurtis Grenkow operating as SHS a Licensee of Sears Canada Inc. and confirm that the above named is an employee of or engaged by SHS Services Management Inc.

Signature of Authorized Licensee Signatory: [Signature]

Date: Feb 19/13

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This is Exhibit "G" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

SHS services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 18th, 2013

PERSONAL AND CONFIDENTIAL

[REDACTED]
c/o Sears Canada Inc.
700 - 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear [REDACTED]

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (Sears), has entered into an agreement whereby SHS Services Management Inc. (SHS) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (the **Transaction**). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (the **Closing Date**).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Inventory Coordinator.

2. Commencement Date

~~The commencement of your employment with SHS will be on the Closing Date, immediately after closing~~
(the **Commencement Date**), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as 9/6/1988.

3. Location & Hours of Work

You will continue to work in your current workplace location for the next 2-3 weeks. After this time period you will begin transitioning from your current workplace to SHS' corporate office located at 125 Commerce Valley Drive West, Markham, Ontario. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the **Term**).

5. Reporting

In the capacity of Inventory Coordinator, you will report to National Install Merchant (NIM).

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your annual base salary (**Base Salary**) will be \$55105, less required statutory deductions, and you will be paid in accordance with SHS's usual payroll practices. Your hourly rate will be subject to an annual review by SHS.

Short Term Incentive Plan (STIP)

You are entitled to participate in SHS' annual Short Term Incentive Plan. SHS reserves the right to revise and amend its Short Term Incentive Plan in its sole discretion from time to time. Please see the enclosed 2013 Short Term Incentive Plan document.

8. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

9. Vacation

You will be entitled to paid vacation of 5 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

10. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

11. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

12. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and

including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

13. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

14. Personal Data and Privacy

You consent that:

- (a) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you may be freely transferred and shared between SHS, its affiliates; and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (a) Ensuring that you are paid for the services performed for SHS;
- (b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- (c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. ~~If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.~~

15. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

16. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

17. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Monday, February 25th, 2013.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via fax (877-622-8642) to SHS Services Management Inc. by February 25th, 2013.

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th – March 1st, or by email at humanresources@shsServices.ca.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: _____

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 21st day of February, 2013.

Signature: _____

[Redacted Signature]

Witness Signature: _____

[Redacted Witness Signature]



Understanding of Employment and/or Engagement Form

(Section 1: To be completed by YOU, the employee)

I, [redacted], understand that SHS Services Management Inc. is a Licensee of Sears Canada Inc. authorized to operate a business operating under the "Sears Home Services" banner.

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

Employee Signature or Licensee's Representative: [redacted]

Date: February 21st 2013

(Section 2: To be completed by SHS Services Management Inc., the Licensee)

I, Michael Strachan of SHS Services Management Inc. am authorized to sign on behalf of SHS operating as Sears Home Services Licensee of Sears Canada Inc. and confirm that the above named is an employee of or engaged by SHS Services Management Inc.

Signature of Authorized Licensee Signatory: [Signature]

Date: Feb 21 / 2013

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This is Exhibit "H" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

SHS

services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 18th, 2013

PERSONAL AND CONFIDENTIAL

██████████
c/o Sears Canada Inc.
700 – 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear ██████████:

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (**Sears**), has entered into an agreement whereby SHS Services Management Inc. (**SHS**) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (the **Transaction**). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (the **Closing Date**).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Sales Associate.

2. Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing (the **Commencement Date**), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as 7/16/2007.

3. Location & Hours of Work

You will continue to work in your current workplace location. In the likely event that SHS relocates your place of employment our intent will be to have the new facility located within a 10 km radius of your current location. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the **Term**).

5. Reporting

In the capacity of Sales Associate, you will report to District Sales Manager.

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your compensation will be a draw account against commission paid on personal sales in the Home Services department. The rate of commission in this department is set at a variable rate of 11% on Décor and 9% on exterior including Windows, Doors, and Roofing, 11% on Window Coverings, 8% on Flooring, 5% on Area Rugs, and 9% on HVAC. Commission rates will be reviewed periodically and may be changed without notice to you. Your draw amount has been set at \$11 per hour.

8. Availability

Shifts are scheduled according to the needs of the business. You will be required to be available a specific minimum number of shifts as discussed with your manager. All changes to scheduled shifts must be made in writing to management for approval.

Every effort will be made to grant availability changes; however, permanent restricted availability that does not meet business needs may result in the termination of employment based on non-availability.

9. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

10. Vacation

You will be entitled to paid vacation of 3 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

11. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

12. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

13. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

14. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

15. Personal Data and Privacy

You consent that:

- (a) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (a) Ensuring that you are paid for the services performed for SHS;
- (b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- (c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

16. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

17. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

18. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Monday, February 25th, 2013.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via fax (877-622-8642) to SHS Services Management Inc. by February 25th, 2013.

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th - March 1st, or by email at humanresources@shsServices.ca.

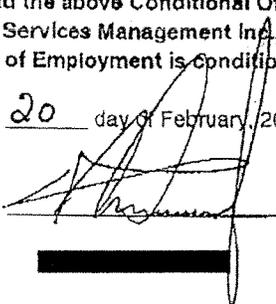
Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: _____

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 20 day of February, 2013.

Signature:  _____


Witness Signature: B. Forster _____



Understanding of Employment and/or Engagement Form

(Section 1: To be completed by YOU, the employee)

I, [redacted], understand that SHS Services Management Inc. is a Licensee of Sears Canada Inc. authorized to operate a business operating under the "Sears Home Services" banner.

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

Employee Signature or Licensee's Representative:

[Handwritten signature]

Date:

FEB 20, 2013

(Section 2: To be completed by SHS Services Management Inc., the Licensee)

I, Alexandra Felix, of SHS Services Management Inc. am authorized to sign on (Print Authorized Licensee Signatory Name)

behalf of SHS operating as Sears Home Services a Licensee of Sears Canada Inc. and confirm that the above named is an employee of or engaged by SHS Services Management Inc.

Signature of Authorized Licensee Signatory:

[Handwritten signature]

Date:

Feb 19/13.

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This is Exhibit "I" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

107

SHS

services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 18th, 2013

PERSONAL AND CONFIDENTIAL

██████████
c/o Sears Canada Inc.
700 – 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear ██████████

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (**Sears**), has entered into an agreement whereby SHS Services Management Inc. (**SHS**) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (**the Transaction**). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (**the Closing Date**).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Manager Home Services Accounting.

2. Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing (**the Commencement Date**), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as 9/5/1978.

3. Location & Hours of Work

You will continue to work in your current workplace location for the next 2-3 weeks. After this time period you will begin transitioning from your current workplace to SHS' corporate office located at 125 Commerce Valley Drive West, Markham, Ontario. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the **Term**).

5. Reporting

In the capacity of Manager Home Services Accounting, you will report to AVP Finance.

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your annual base salary (**Base Salary**) will be \$90000, less required statutory deductions, and you will be paid in accordance with SHS's usual payroll practices. Your hourly rate will be subject to an annual review by SHS.

Short Term Incentive Plan (STIP)

You are entitled to participate in SHS' annual Short Term Incentive Plan. SHS reserves the right to revise and amend its Short Term Incentive Plan in its sole discretion from time to time. Please see the enclosed 2013 Short Term Incentive Plan document.

8. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

9. Vacation

You will be entitled to paid vacation of 6 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

10. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

11. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

12. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and

including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

13. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

14. Personal Data and Privacy

You consent that:

- (a) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (a) Ensuring that you are paid for the services performed for SHS;
- (b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- (c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

15. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

16. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

17. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Monday, February 25th, 2013.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via fax (877-622-6642) to SHS Services Management Inc. by February 25th, 2013.

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th – March 1st, or by email at humanresources@shsServices.ca.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: _____

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 25th day of February, 2013.

Signature: _____



Witness Signature: _____

[Handwritten Signature]



Understanding of Employment and/or Engagement Form

(Section 1: To be completed by YOU, the employee)

I, [redacted] understand that SHS Services Management Inc. is a Licensee of Sears Canada Inc. authorized to operate a business operating under the "Sears Home Services" banner.

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

Employee Signature or Licensee's Representative: [redacted]

Date: Feb 25, 2013

(Section 2: To be completed by SHS Services Management Inc., the Licensee)

Michael Strachan of SHS Services Management Inc. am authorized to sign on (Print Authorized Licensee Signatory Name)

behalf of SHS operating as Sears Home Services a Licensee of Sears Canada Inc. and confirm that the above named is an employee of or engaged by SHS Services Management Inc.

Signature of Authorized Licensee Signatory: [Handwritten Signature]

Date: FEB 19 2013



This is Exhibit "J" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

SHS

services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 22nd, 2013

PERSONAL AND CONFIDENTIAL

[REDACTED]
c/o Sears Canada Inc.
700 - 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear [REDACTED]

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (Sears), has entered into an agreement whereby SHS Services Management Inc. (SHS) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (the **Transaction**). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (the **Closing Date**).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Sales Associate.

2. Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing (the **Commencement Date**), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as **10/1/2011**.

3. Location & Hours of Work

You will continue to work in your current workplace location. In the likely event that SHS relocates your place of employment our intent will be to have the new facility located within a 10 km radius of your current location. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the **Term**).

5. Reporting

In the capacity of Sales Associate, you will report to District Sales Manager.

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your training period will conclude on March 30th, 2013. During this training period SHS will pay you \$20.00 per hour for hours worked. On March 31st, 2013 your compensation will be a draw account against commission paid on personal sales in the Home Services department. The rate of commission in this department is set at a variable rate of 11% on Décor and 9% on exterior including Windows, Doors, and Roofing, 11% on Window Coverings, 8% on Flooring, 5% on Area Rugs, and 9% on HVAC. Commission rates will be reviewed periodically and may be changed without notice to you. Your draw amount has been set at \$16 per hour.

8. Availability

Shifts are scheduled according to the needs of the business. You will be required to be available a specific minimum number of shifts as discussed with your manager. All changes to scheduled shifts must be made in writing to management for approval.

Every effort will be made to grant availability changes; however, permanent restricted availability that does not meet business needs may result in the termination of employment based on non-availability.

9. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

10. Vacation

You will be entitled to paid vacation of 4 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

11. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

12. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services

rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

13. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

14. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

15. Personal Data and Privacy

You consent that:

- (a) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (a) Ensuring that you are paid for the services performed for SHS;
- (b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- (c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

16. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

17. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

18. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Monday, February 25th, 2013.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via fax (877-622-8642) to SHS Services Management Inc. by February 25th, 2013.

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th - March 1st, or by email at humanresources@shsServices.ca.

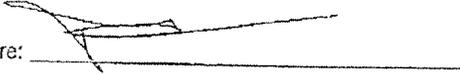
Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: 

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 23 day of February, 2013.

Signature: 

Witness Signature: 



This is Exhibit "K" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.


A Commissioner, etc.

SHS

services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

February 16th, 2013

PERSONAL AND CONFIDENTIAL

[REDACTED]
c/o Sears Canada Inc.
700 – 290 Yonge Street
Toronto, Ontario
M5C 2B3

Dear [REDACTED]

Conditional Offer of Employment with SHS Services Management Inc.

As you may be aware, your current employer, Sears Canada Inc. (**Sears**), has entered into an agreement whereby SHS Services Management Inc. (**SHS**) has agreed to acquire certain assets and to operate certain business of Sears, particularly the business operating under the "Sears Home Services" banner (the **Transaction**). We anticipate that the Transaction will close on March 2, 2013, or such other date as the parties agree (the **Closing Date**).

SHS values your knowledge and experience and we are pleased to extend this conditional offer of employment to you to be employed with SHS. Please be advised that this offer of employment is conditional upon the successful closing of the Transaction, and effective immediately after closing. If the Transaction does not close, this offer is null and void.

Outlined below are the terms and conditions of this conditional offer of employment:

1. Title

You will hold the position and title of Regional Operations Manager Central.

2. Commencement Date

The commencement of your employment with SHS will be on the Closing Date, immediately after closing (the **Commencement Date**), but SHS will recognize your prior years of continuous service with Sears for the purposes of vacation entitlement and statutory or common law severance entitlement. Your seniority date will remain as 9/18/1974.

3. Location & Hours of Work

You will continue to work in your current workplace location. In the likely event that SHS relocates your place of employment our intent will be to have the new facility located within a 10 km radius of your current location. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

4. Term

You will continue to be employed with SHS as a Full Time employee on an indefinite basis, unless terminated earlier in accordance with this conditional offer of employment (the **Term**).

5. Reporting

In the capacity of Regional Operations Manager Central, you will report to VP Operations.

6. Responsibilities

Your responsibilities will continue, in essence, as they existed with Sears, to be modified as reasonably necessary to reflect the revised structure of the business and the needs of SHS. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your annual base salary (**Base Salary**) will be \$110,000, less required statutory deductions, and you will be paid in accordance with SHS's usual payroll practices. Your hourly rate will be subject to an annual review by SHS.

Short Term Incentive Plan (STIP)

You are entitled to participate in SHS' annual Short Term Incentive Plan. SHS reserves the right to revise and amend its Short Term Incentive Plan in its sole discretion from time to time. Please see the enclosed 2013 Short Term Incentive Plan document.

8. Benefits

You will be entitled to participate in all benefit plans adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will be eligible to enroll in a Defined Contribution Pension Plan with SHS. We will be available to discuss the specifics of such Pension Plan with you at your convenience.

9. Vacation

You will be entitled to paid vacation of 6 weeks per year, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of your superiors.

10. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

11. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

12. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and

including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause. SHS will recognize your prior years of continuous service with Sears for the purposes of calculating your entitlement to working notice, or payment in lieu of working notice.

13. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, as the case may be, whose confidential information you seek to disclose.

14. Personal Data and Privacy

You consent that:

- (a) Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (a) Ensuring that you are paid for the services performed for SHS;
- (b) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- (c) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (d) Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (e) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

15. Acknowledgement of Employment Form

At the time of commencing employment with SHS, you will execute the attached "Statement of Understanding of Employment and/or Engagement Form" attached to this conditional offer letter, which will be an acknowledgement that you are not and shall not be deemed to be an employee of Sears for any purposes, and that you will not be eligible for or considered for employment with Sears while you are an employee of SHS.

16. Entire Agreement

This conditional offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supercedes all prior contracts, agreements and understandings between the parties.

17. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with other employees of Sears. This offer remains open for your acceptance until Monday, February 25th, 2013.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign and return this letter via fax (877-622-8642) to SHS Services Management Inc. by February 25th, 2013.

Again, we remind you that this offer is conditional. We look forward to the conditions being satisfied and hope to be working with you in the future. If you have any questions, please contact our SHS Employee Support Line at 1-877-907-5325, Monday to Friday 8:00am (EST) to 8:00pm (PST), February 18th – March 1st, or by email at humanresources@shsServices.ca.

Yours truly,

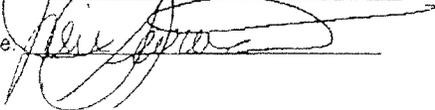
SHS SERVICES MANAGEMENT INC.

Per: _____

I have read the above Conditional Offer of Employment and I accept this Conditional Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter. I understand that this Offer of Employment is conditional upon the Transaction closing.

Dated this 24 day of February, 2013.

Signature 

Witness Signature 

SHS services management

Understanding of Employment and/or Engagement Form

(Section 1: To be completed by YOU, the employee)

I, [REDACTED], understand that SHS Services Management Inc. is a Licensee of Sears Canada Inc. authorized to operate a business operating under the "Sears Home Services" banner.

I understand that I am an employee of or engaged by SHS Services Management Inc.

I further understand that I am not and shall not be deemed to be an employee of Sears Canada Inc. for any purpose whatsoever, including but not limited to, any future claims pursuant to Workers' Compensation, Employment Standards or Human Rights Legislation or any other possible claims, actions or demands.

I further understand that I am not eligible for and will not be considered for employment at Sears Canada Inc. while I am an employee of or engaged by SHS Services Management Inc.

I have read the above; I fully understand it and I sign this statement voluntarily.

Employee Signature or Licensee's Representative: [REDACTED]

Date: Feb/24/13

(Section 2: To be completed by SHS Services Management Inc., the Licensee)

I, _____ of SHS Services Management Inc. am authorized to sign on (Print Authorized Licensee Signatory Name)

behalf of _____ operating as _____ a Licensee of Sears Canada Inc. and confirm that the above named is an employee of or engaged by SHS Services Management Inc.

Signature of Authorized Licensee Signatory: _____

Date: _____

SHS
services management
125 Commerce Valley Drive West
Suite 500
Markham, ON
L3T 7W4

2110 38
230 17
2000 - 16154
000 - 4615
1100769

May 16, 2013



ENTERED JUN - 1 2013

Dear

Offer of Employment with SHS Services Management Inc.

At SHS Services Management Inc. ("SHS" or the "Company") we believe that it is important to have the best people in our organization, which is why, subject to the terms below we would like to offer you a position with the Company.

Upon your acceptance of the offer set out in this letter, you agree to diligently and carefully perform your work in a professional manner to standards set by SHS, devoting all of your working time to the affairs and business of SHS. You also agree to be governed by SHS' Code of Conduct, and policies and procedures, which may be amended from time to time. You understand that you will be trusted and treated as an ambassador of SHS, continually providing strong leadership and exemplary stewardship of our Company.

Outlined below are the terms and conditions of your offer of employment:

1. **Title**
You will hold the position and title of Vice President, Operations.
2. **Commencement Date**
The commencement of your employment in this role will be on May 20, 2013 or at another time as mutually agreed upon by you and the President.
3. **Term**
You will continue to be employed with SHS on an indefinite basis, unless terminated earlier in accordance with this letter.
4. **Reporting**
In the capacity of Vice President, Operations you will report to the President.

5. **Responsibilities**

Your role and responsibilities have been discussed with you, but they may be modified by the Company as reasonably necessary as the requirements of the business change. You agree to diligently perform your duties and exercise such powers as are prescribed by the Company or as otherwise customarily performed by an executive in a similar position in a corporation of similar size and business as SHS. Regular travel is a requirement of this position.

6. **Salary**

Your annual base salary will be **\$160,000**, (\$13,333 / month) less required statutory deductions, and you will be paid in accordance with SHS' usual payroll practices. Your base salary will be subject to an annual review by SHS and may be adjusted from time to time as agreed to by you and the Company.

7. **Benefits & Pension**

You will be entitled to participate in all benefit plans adopted by SHS for its Executive employees generally, in accordance with the terms and conditions of such plans, and as such plans may be implemented from time to time. We will be available to discuss the specifics of such benefit plans with you at your convenience.

You will also be eligible to participate in the Executive Defined Contribution Pension Plan (the "**Plan**") with SHS. SHS will match your contribution amount within the Plan up to 6% of your gross annual salary. The Plan and contribution amounts are subject to annual review and may be adjusted according to the needs of the business. We will be available to discuss the specifics of the Plan with you at your convenience.

8. **Vehicle Allowance**

Your annual vehicle allowance will be \$14,400, (\$1,200 / month). Additional vehicle expenses such as parking, tolls and a per kilometer allowance for travel outside of 100 kilometers of your city of residence will be reimbursed to you.

9. **Incentive Plans**

You will be eligible to participate in SHS' annual Short Term Incentive Plan as well as its Long Term Incentive Plan. Such plans exist at the sole discretion of SHS and may be amended or discontinued according to the needs of the business. SHS' Short and Long Term Incentive Plans are currently under development and will be discussed with you in the next short while.

10. **Paid Time Off**

You will be entitled to 6 weeks of paid vacation per year in recognition of the organizational level of your position and your years of experience. Your vacation entitlement is subject to SHS' Paid Time Off Policy.

In addition, SHS' Paid Time Off policy includes fixed and variable flex days.

In scheduling any vacation and using any flex day provisions, you will have regard to the operations of SHS and reasonable direction of your superiors.

11. **Voluntary Resignation**

You may terminate your employment at any time by providing 30 days advance written notice of your departure date to SHS. SHS may waive such notice, in whole or part. In such event, SHS' obligation to compensate you shall cease on your departure date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including your departure date, plus any accrued vacation pay and/or expenses owing up to and including your departure date.

12. **Termination**

(a) **For Cause**

SHS may terminate your employment at any time for cause, without notice, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned (but not yet paid) up to and including the termination date, and any outstanding vacation pay and/or expenses due and owing to you, but otherwise no further compensation will be payable to you. "Cause" shall include, without limitation:

- I. Any conviction of or plea by you of any criminal offence involving fraud or dishonesty, or which is likely to injure SHS' business or reputation;
- II. Any breach or material non-observance of the terms and conditions of this letter;
- III. Any gross misconduct or gross negligence in the performance of your duties; or
- IV. Any just cause at common law.

(b) **Without Cause**

SHS may also terminate your employment immediately, for any reason that does not constitute cause. In such event SHS will pay you a termination payment equal to one (1) month's salary for every complete year of service; provided however, you shall be entitled to an amount equal to no less than 4 (four) months' salary along with a pro rata share of any Short Term Incentive (STI) earned during the year of termination, calculated by multiplying the STI by a fraction, the numerator of which shall be the number of days in the calendar year prior to the effective date of termination and the denominator of which shall be 365. Benefits coverage will be continued for a period of time commensurate to the period of time provided in lieu of notice set out above in this paragraph.

(c) **Change in Control**

If there is a Change in Control of SHS, you may elect to terminate your employment with the Company in accordance with paragraph 12 (b)

In the event that you elect to terminate your employment with SHS due to a Change in Control:

- I. You must provide written notice to the Company within ninety (90) days following a Change in Control;
- II. SHS may require you to remain employed with, and to continue to provide normal services to the Company for a period not to exceed six (6) months following the Change in Control;
- III. If you do not provide the requested services in normal performance standards throughout the required period of which you have been asked to remain with SHS, the election for termination of employment due to Change in Control shall be null and void, and you shall not be entitled to the compensation set out in paragraph 12 (b).

For purposes of this agreement, "Change of Control" means that, after the date hereof, any person acquires, directly or indirectly, along or in concert with other persons, shares in the capital of SHS aggregating greater than 50% of the then issued and outstanding voting securities of SHS.

Upon any form of termination of your employment with SHS, you must return all Company property that you have in your possession within three (3) days of your last day with SHS.

13. **Confidentiality and Non-Disclosure**

- (a) As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of Sears Canada Inc. (collectively, the "**Protected Parties**"). While employed by SHS, and at any time thereafter, you will not, directly or indirectly, disclose or use, at any time, except in connection with carrying out your duties with SHS, any confidential information. In this agreement "confidential information", with respect to SHS, its affiliates and clients, and Sears Canada Inc. includes, but is not limited to, all policies, processes, operating methods, trade secrets, financial information, forecasts, personnel and their duties and capabilities, as well as source relationships, computer software, systems architecture and all tangible items on which there is recorded proprietary or other information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, pricing, provision and sale of products and services of the Protected Parties, including all customer lists, buying habits and customer information. You acknowledge that the confidential information provided to you by any of the Protected Parties is protected by privileges and protections and the unauthorized disclosure of any confidential information by you could injure and damage the Protected Parties. You agree to use or disclose the confidential information of the Protected Parties strictly in compliance with the policies, instructions or directives issued by SHS or its clients and only for the purposes of completing your job requirements.

- (b) While employed by SHS, you will not use improperly or disclose any confidential or proprietary information or trade secrets of any former employers, or their principals, partners, clients, customers or suppliers and will not bring onto the premises of SHS any unpublished document or any proprietary information belonging to any such persons or entities without their consent. In addition, you agree not to violate any non-disclosure or proprietary rights agreement that you may have signed in connection with any such person or entity.

14. **Non-Competition**

- (a) You recognize and understand that in performing your duties and responsibilities pertaining to your position at SHS that you occupy a position of high fiduciary trust and confidence, pursuant to which you will develop and acquire wide experience and knowledge with respect to the business carried on by the Company and the manner in which its business is conducted. It is the express intent of SHS that such knowledge and experience shall be used solely and exclusively in the furtherance of the business interests of the Company and not in any manner detrimental to them. You therefore agree that so long as you are employed by the Company and for a period of four (4) months after you are no longer employed, (the "**Post-termination Period**") you shall not engage in any practice or business in competition with the Company.
- (b) While employed by SHS and during the Post-termination Period, you will not directly or indirectly, (i) call upon, (ii) render services to, or (iii) solicit sales from, any SHS clients or potential clients. This limitation to competition only applies to the specific clients or potential clients upon which you have called, provided services, or dealt with at any time prior to termination of the your employment with SHS and is only in effect if you have accepted work with an entity providing similar services to similar clients. You acknowledge SHS' need for this provision and its reasonableness.
- (c) Upon termination of your employment with SHS, regardless of how that termination may occur, and for the Post-termination Period, you will be free to accept work with competitors, clients, or non-clients of SHS with two exceptions. First, you will have no contact with current SHS clients or prospects as outlined in paragraph (b) above. Second, you will not work directly or indirectly as an employee, independent contractor or consultant to a competitor of SHS if one could reasonably anticipate that your position with the competitor would require you to utilize confidential information or trade secrets of SHS.
- (d) While employed by SHS and for the Post-Termination Period, you will not directly or indirectly attempt to solicit any SHS employees or contractors to seek work with you or any other entity.
- (e) Upon the termination of your relationship with SHS, you agree to return to SHS within the time period set out in paragraph 12 all items, publications, price lists, and other information, whether maintained for internal purposes or for dissemination to the public, whether on electronic storage media or otherwise, including any copies or abstracts of the information which may have come into

your possession from SHS or its clients. These items include, but are not limited to, equipment, manuals, correspondence, proposals, fee schedules, keys, security passes, parking passes, travel advances, credit cards, club memberships, and computer storage media.

- (f) All materials created by you or in collaboration with others, and within the scope of your duties will be works for hire and therefore the property of SHS. Accordingly, SHS shall be deemed the author of such materials, unless specifically waived in writing. These materials include, but are not limited to, inventions, discoveries, designs, developments, improvements, patents, copyrights, trade secrets, trademarks, works of authorship, audiovisual works, characters, concepts, music, sounds, designs, expressions, methods, processes, or other intellectual property or rights. You hereby waive and quitclaim to SHS any and all claims of any nature whatsoever that you now or hereafter may have for infringement of any patent resulting from any patent applications for any inventions so assigned to SHS. You also waive any and all moral rights that you now have or hereafter may have in the materials.
- (g) You agree that for the term of your employment and for any time thereafter, you will not transfer, attempt to transfer, or license any right, privilege, title, or interest in or to any of these materials to any third party or in any way infringe upon the rights granted to SHS, or allow a third party to infringe upon these rights. You will notify SHS if you become aware of any such activity. Further, you authorize SHS, in your name or otherwise, to institute any proper legal proceedings to prevent such an infringement. You agree, upon request, to prepare and deliver to SHS any documentation that the Company determines is necessary in order to effect its rights in the materials or to register them.
- (h) You acknowledge an obligation of loyalty during the term of your employment with SHS and agree not to undertake the organization or establishment of any business competitive with SHS' business or participate in any activity competitive with SHS' business. Further, you agree not to engage in any activity or investment that conflicts with SHS' business interests, occupies your attention so as to interfere with the proper and efficient performance of your duties at SHS, or interferes with the independence exercise of your judgement in the Company's best interest.
- (i) You acknowledge that the breach of any of the provisions of this paragraph 14 could result in substantial damages to SHS and its clients and that these damages may not be measurable. SHS could be placed at a competitive disadvantage by your breach of these provisions and could suffer immediate and irreparable damage. You acknowledge that any breach by you could result in an inadequacy of legal remedy, uncertainty of the time involved, and inability to accurately calculate the monetary damages to SHS, and in any such case SHS would be entitled to seek an injunction.

15. **Personal Data and Privacy**

You consent to:

- (a) Personal data relating to you being maintained and stored by SHS electronically or in any other form; and
- (b) Personal data relating to you being freely transferred and shared between SHS, its affiliates, and Sears Canada Inc., irrespective of where the offices of such entities are physically located.

You further acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- (c) Ensuring that you are paid for the services performed for SHS;
- (d) Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This includes the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS' benefits on behalf of SHS;
- (e) Compliance with any regulatory reporting and withholding requirements relating to your employment;
- (f) Enforcing SHS' policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- (g) In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and with applicable law from time to time.

16. **Confirmation of Employability**

Your employment with SHS is conditional upon the truth and accuracy of the representations made by you in this letter or otherwise to the Company, including without limitation, in respect of any information that you have provided regarding your education, previous employment and experience. By signing this letter, you agree to complete any necessary documentation for compliance certification as may be requested by SHS or its agents. In this regard you authorize SHS and its agents to conduct checks on your criminal record, background, and employment references. If the results of those checks are not acceptable to the Company in its sole discretion, your employment may be immediately terminated for cause.

In addition you confirm to SHS that you are not subject to, nor would be in breach of a non-competition agreement or agreement of any sort that would prohibit your acceptance of this letter. Breach of this covenant would immediately void this agreement.

17. **Entire Agreement**

The offer and the documents referenced in this letter constitute the entire agreement between you and SHS, and supersedes all prior contracts, agreements and understandings between the parties. If any provision of this agreement shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

18. **Governing Law**

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario.

Please be advised that the terms of this offer are confidential. We encourage you to seek independent legal advice with respect to this letter and that you not discuss the terms of it with any other parties than your immediate family members and/or your independent legal advisor.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign both copies of this letter where indicated, and return one copy to the undersigned SHS representative by the aforementioned time.

We look forward to having you join our team. If you have any questions, please contact the undersigned SHS representative directly.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: [Signature] Title: President

I have read the above Offer of Employment and I accept this Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter.

Dated this 16 day of May, 2013.

Witness [Signature]





This is Exhibit "L" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

SHS
services management

August 12, 2013



Dear [Redacted]

We are pleased to inform you of your position change from Project Coordinator to **Operations Coordinator** effective **September 1, 2013**. All the current terms and conditions of your employment, including your compensation, will remain unchanged.

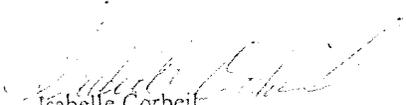
Your responsibilities will be as generally discussed with your manager. Please contact your manager or the SHS Human Resources department with any questions or concerns.

If you are in agreement with the terms of this offer, please sign below to accept and send a scanned copy to SHS Human Resources at humanresources@shsservices.ca.

We wish you all the best in your new role and continued success in your career at SHS Services Management Inc.

Yours very truly,

Offer of Employment accepted:


Isabelle Corbett
Operations Manager

[Redacted]
Employee

12 Aug 2013
Date

SHS

gestion des services

Code/Rev : 004-02

Poste : Coordonnateur des opérations

Lieu : Siège social, Markham, ON ou succursale ou bureau désigné

Relève du : Gestionnaire des opérations

Subalternes directs : S.O.

Résumé du poste : Organiser les opérations locales pour garantir que les commandes sont planifiées et prêtes pour l'enlèvement de l'installateur et que les bons de travail sont traités en temps opportun et de manière efficace, conformément à tous les déroulements du travail de l'entreprise. Planifier et organiser les tâches avec les clients et les opérations pour veiller à la satisfaction des clients de SHS.

Description du poste

- Planifier les tâches avec les clients et sous-traitants en s'assurant que les ensembles de compétences et les délais répondent aux besoins du client;
- Veiller à ce que les installateurs révisent les exigences du poste avec le gestionnaire des installateurs avant le début du travail;
- Obtenir les documents relatifs aux bons de travail remplis et les traiter par le biais des systèmes Centah et de PRO;
- Saisir les éléments de rectification de commande sur les bons de travail, avec l'approbation du gestionnaire des ventes/des installations;
- Être le premier point de contact en ce qui concerne les problèmes d'installation, communiquer les problèmes et les résoudre avec le gestionnaire des installateurs, les installateurs et les associés aux ventes;
- Préparer ou superviser les commandes de l'entrepôt et veiller à ce qu'elles soient sélectionnées et reçues adéquatement, y compris utiliser un chariot élévateur à fourche;
- Coordonner les activités d'expédition et de réception pour garantir une disponibilité adéquate du stock;
- Soumettre les demandes d'achats au service des Achats;
- Travailler en étroite collaboration avec le superviseur des opérations pour maintenir la planification et l'achèvement des installations;
- Gérer la saisie des données dans la base de données de l'entreprise;
- Représenter l'entreprise de manière professionnelle;

Qualifications et compétences :

- Expérience précédente en coordination de projet ou d'opérations.
- Polyvalence et attention exceptionnelle portée au détail.
- Excellentes compétences en service à la clientèle et capacité à résoudre les problèmes.
- Connaissance de MS Office, Previous ERP ou expérience avec un système de terrain.
- Excellentes compétences en communication et organisation.
- Capacité à bien travailler dans un environnement d'équipe, attitude positive.
- Précédente expérience dans un poste de planification.

SHS

gestion des services

- Excellentes compétences organisationnelles et en communication
- Excellentes compétences en service à la clientèle

Conditions de travail :

- Environnement du bureau avec déplacements en magasins et au domicile des clients
- Heures de bureau, du lundi au vendredi.
- Quelques déplacements.

Nom de l'employé : Diane Desjardins Signature : [Signature]
Date : 12-11-2013

Nom du superviseur : [Signature] Signature: [Signature]
Date :

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SHS
services managementK. McCarthy
5111 - 105846

August 14, 2013

PERSONAL AND CONFIDENTIAL

Dear ,

We are pleased to offer you a promotion from an Inspector to an Installations Manager effective **September 1, 2013**. The following changes to your current terms and conditions of employment will accompany this promotion:

Location and Hours of Work

You will service the city of Calgary and surrounding area. SHS's workweek is based upon 37.5 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.

Reporting

In the capacity of an Installations Manager, you will report to the Operations Manager.

Responsibilities

Your responsibilities will be as generally discussed with your manager. Please contact your manager or the SHS Human Resources department with any questions or concerns.

Compensation

Your annual base salary will be \$54,000.00 less statutory deductions, and you will be paid in accordance with SHS' usual payroll practices. Your compensation will be subject to an annual review by SHS.

SHS

services management

Short Term Incentive Plan (STIP)

You are entitled to participate in SHS' annual Short Term Incentive Plan. SHS reserves the right to revise and amend its Short Term Incentive Plan in its sole discretion from time to time.

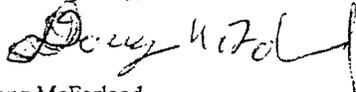
Benefits and Pension

You will be entitled to participate in all benefit plans and the Defined Contribution Plan adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time.

If you are in agreement with the terms of this offer, please sign below and return a scanned copy to the SHS Human Resources department (humanresources@shsservices.ca) by **Monday, August 19, 2013.**

We wish you all the best in your new role and continued success in your career at SHS Services Management Inc.

Yours very truly,



Doug McFarland
Operations Manager

Offer of Employment accepted:



Employee Signature

AUG 16 / 13

Date

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This is Exhibit "M" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

RECEIVED

APR 22 2013

SHS
services management
125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

April 12th, 2013

PERSONAL AND CONFIDENTIAL



Dear [Redacted]

Offer of Employment with SHS Services Management Inc.

We believe it is important to have the best people in our organization. We value the knowledge, skills, abilities and experience of people like you. That is why we are pleased to extend this offer of employment to you to join the SHS team and start your career with us.

Outlined below are the terms and conditions of this offer of employment:

1. **Title**
You will hold the position and title of Lead Developer.
2. **Commencement Date**
The commencement of your employment with SHS will be on Wednesday, April 17th, 2013, or at another time as mutually agreed upon between yourself and your Manager.
3. **Location & Hours of Work**
You will service the sales area and product line in accordance to the company's need and agreement between yourself and your Manager. SHS's workweek is based upon 25 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.
4. **Term**
You will be employed with SHS as a Part Time employee on an indefinite basis, unless terminated earlier in accordance with this offer of employment (the Term).
5. **Reporting**
In the capacity of a Lead Developer, you will report to the District Sales Manager.
6. **Responsibilities**
You will be responsible for sales to the public and maintaining knowledge of products and using this knowledge to assist and educate customers on options available, provide customer assistance, and delivery

of a positive customer experience. A more detailed description of your duties and responsibilities are attached and will be discussed with you.

7. Compensation

Your rate will be \$13.00 per hour, less statutory deductions, and you will be paid in accordance with SHS' usual payroll practices. Your compensation will be subject to an annual review by SHS.

8. Availability

Shifts are scheduled according to the needs of the business. You will be required to be available a specific minimum number of shifts as discussed with your manager. All changes to scheduled shifts must be made in writing to management for approval.

Every effort will be made to grant availability changes; however, permanent restricted availability that does not meet business needs may result in the termination of employment based on non-availability.

9. Benefits & Pension

You will be entitled to participate in all benefit plans and the Defined Contribution Plan adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time.

10. Vacation

You will be entitled to 4% vacation pay based on your annual basic earnings, payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of Management.

11. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

12. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

13. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause by providing you with notice or pay in lieu thereof. The notice amount will be in accordance with the applicable Employment Standards legislation; or two (2) weeks' notice (or base pay in lieu of notice or a combination thereof) for each completed year of service to a maximum of seventy eight (78) weeks of base pay (which is inclusive of all termination and severance pay to which you would be entitled in accordance with the applicable Employment Standards legislation). You would be entitled to continue in the SHS benefit and pension plans in accordance with the applicable Employment Standards legislation.

Upon payment of this amount, you shall have no claim against SHS in respect of employment for damages or otherwise except in respect of payment of monies earned, due or owing to the date of termination. In addition, SHS shall have no obligation to make the payments described above, other than those you may be entitled to under the applicable Employment Standards legislation, unless you execute and deliver to SHS a binding waiver of claims and general release.

14. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of its business partners (collectively, the Protected Parties), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information collectively, (the Confidential Information). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, whose Confidential Information you seek to disclose.

15. Personal Data and Privacy

You consent that:

- a. Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- b. Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- a. Ensuring that you are paid for the services performed for SHS;
- b. Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- c. Compliance with any regulatory reporting and withholding requirements relating to your employment;
- d. Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- e. In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

16. Confirmation of Employability

In this regard, you authorize SHS and its agents to conduct checks on your criminal record, background, and employment references. If the results of these checks are not acceptable to the Company in its sole discretion, your employment may be immediately terminated for cause.

17. Entire Agreement

This offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supersedes all prior contracts, agreements and understandings between the parties.

18. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Alberta.

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with anyone other than members of your immediate family and/or an advisor.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign, date, witness, and return all the pages of this letter, and any accompanying documents, to SHS Services Management Inc. via fax (888-941-9183) or scanned email document to humanresources@shsservices.ca by Monday, April 15, 2013, by 6:00pm MST.

Again, we are pleased to extend to you this offer of employment to you and look forward to working with you in the future. If you have any questions regarding this letter or attached documents, please contact the SHS representative that presented this Offer of Employment letter or by email to humanresources@shsservices.ca.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: Jana Nestler
SHS Hiring Manager

[Signature]
Signature

I have read the above Offer of Employment and I accept this Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter.

Dated this 15 day of April, 2013.



[Signature]
Witness Signature

COLLEEN CEA
Witness Name

Offer Letter drafted and approved by:

[Signature]

SHS Human Resources

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SHS

services management

125 Commerce Valley Drive West
Suite 500
Markham, Ontario
L3T 7W4

August 15, 2013

PERSONAL AND CONFIDENTIAL



Dear [REDACTED]:

Offer of Employment with SHS Services Management Inc.

We believe it is important to have the best people in our organization. We value the knowledge, skills, abilities and experience of people like you. That is why we are pleased to extend this offer of employment to you to join the SHS team and start your career with us.

Outlined below are the terms and conditions of this offer of employment:

1. **Title**
You will hold the position and title of **Project Coordinator**
2. **Commencement Date**
The commencement of your employment with SHS will be on **September 3, 2013**, or at another time as mutually agreed upon between yourself and your Manager. (11) m.f.
3. **Location & Hours of Work**
You will service the sales area and product line in accordance to the company's need and agreement between yourself and your Manager. SHS's workweek is based upon 25 hours. You will be required to devote whatever time is necessary to complete the requirements of your position, which may exceed the standard hours of work. Your daily hours of work will be confirmed to you by your manager.
4. **Term**
You will continue to be employed with SHS as a Part Time employee on an indefinite basis, unless terminated earlier in accordance with this offer of employment (the **Term**).
5. **Reporting**
In the capacity of a Project Coordinator role, you will report to **Ava Robinson**
6. **Responsibilities**
Your responsibilities will be as you have generally discussed with your manager. A more detailed description of your duties and responsibilities will be provided to you in the next short while.

7. Compensation

Your rate will be \$15.50 per hour, less statutory deductions, and you will be paid in accordance with SHS' usual payroll practices. Your compensation will be subject to an annual review by SHS.

8. Availability

Shifts are scheduled according to the needs of the business. You will be required to be available a specific minimum number of shifts as discussed with your manager. All changes to scheduled shifts must be made in writing to management for approval.

Every effort will be made to grant availability changes; however, permanent restricted availability that does not meet business needs may result in the termination of employment based on non-availability.

9. Benefits & Pension

You will be entitled to participate in all benefit plans and the Defined Contribution Plan adopted by SHS for its employees generally, in accordance with the terms and conditions of such plans, and as such plans may be amended from time to time.

10. Vacation

You will be entitled 4% vacation pay based on your annual basic earnings, (vacation entitlement for your first year is prorated based on your start date) payable in accordance with SHS vacation policy. In scheduling such vacation, you will have regard to the operations of SHS and the reasonable directions of Management.

11. Discount

You will be eligible for the Sears Associate Discount Benefit, in accordance with the Associate Discount Policy which may be amended from time to time by Sears. Your associate identification card must be presented at the time of purchase to be eligible for the discount.

12. Voluntary Resignation

You may terminate your employment at any time by providing two (2) weeks advance written notice of the termination date to SHS. In such event, SHS's obligation to compensate you shall cease on the termination date, save and except only for payment of the pro-rata Base Salary earned for services rendered up to and including the termination date, plus any accrued vacation pay owing up to and including the termination date.

13. Termination

SHS may terminate your employment at any time for cause, without further notice or obligation to you, and without any pay, compensation or benefits in lieu of notice. If your employment is terminated for cause, you will be paid the pro-rata portion of your Base Salary earned, but not yet paid, up to and including your last day actively at work, and any outstanding vacation pay due and owing to you, but otherwise no further compensation will be payable to you.

SHS may also terminate your employment immediately, for any reason that does not constitute cause by providing you with notice or pay in lieu thereof. The notice amount will be in accordance with the applicable Employment Standards legislation. You would be entitled to continue in the SHS benefit and pension plans in accordance with the applicable Employment Standards legislation.

Upon payment of this amount, you shall have no claim against SHS in respect of employment for damages or otherwise except in respect of payment of monies earned, due or owing to the date of termination. In addition, SHS shall have no obligation to make the payments described above, other than those you may

be entitled to under the applicable Employment Standards legislation, unless you execute and deliver to SHS a binding waiver of claims and general release.

14. Non-Solicitation

From and after the date hereof and for a period of one (1) year after the voluntary termination or involuntary termination of your employment with SHS, you promise and agree that you will not, whether for your own benefit or benefit of any other person, endeavour to, directly, or indirectly, divert or entice away from SHS or any of its affiliates any individual or entity that is an employee or contractor of SHS, by initiating any form of contact or communication, directly or through others, with a SHS employee or contractor.

15. Confidentiality

As an employee of SHS, you will have access to the confidential information of SHS and its affiliates, as well as confidential information of its business partners (collectively, the **Protected Parties**), including, without limitation, policies, processes, operating methods, source relationships, computer software and all tangible items on which there is recorded information related to the Protected Parties' businesses, as well as all information relating to the presentation, merchandising, marketing, provision and sale of products and services of the Protected Parties, including all customer lists and customer information collectively, (the **Confidential Information**). You will not, during your employment with SHS, or at any time after the cessation of your employment with SHS, reproduce, disclose or in any way make available, either directly or indirectly, any of the Confidential Information to any other person at any time without the prior written consent of the applicable Protected Party, whose Confidential Information you seek to disclose.

16. Personal Data and Privacy

You consent that:

- a. Personal data relating to you may be maintained and stored by SHS electronically or in any other form; and
- b. Personal data relating to you may be freely transferred and shared between SHS, its affiliates, and Sears, irrespective of where the offices of such entities are physically located.

You acknowledge and agree that SHS has the right to collect, use and disclose your personal information for purposes relating to your employment with SHS, including:

- a. Ensuring that you are paid for the services performed for SHS;
- b. Administering any benefits to which you are or may become entitled to, including medical, dental, life insurance, or pension benefits. This shall include the disclosure of your personal information to any insurance company and/or broker or to any entity that manages or administers SHS's benefits on behalf of SHS;
- c. Compliance with any regulatory reporting and withholding requirements relating to your employment;
- d. Enforcing SHS's policies, including those relating to the proper use of the electronic communications network and to comply with applicable laws; and
- e. In the event of a sale or transfer of all or part of the assets of SHS, disclosing to any potential acquiring organization, your personal information solely for the purpose of determining the value of SHS and its assets and liabilities and to evaluate your position within SHS. If your personal information is disclosed to any potential acquiring organization, SHS will require the potential acquiring organization to agree to protect the privacy of your personal information in a manner that is consistent with any policy of SHS dealing with privacy that may be in effect from time to time and/or any applicable law that may be in effect from time to time.

17. Confirmation of Employability

In this regard, you authorize SHS and its agents to conduct checks on your criminal record, background, and employment references. If the results of these checks are not acceptable to the Company in its sole discretion, your employment may be immediately terminated for cause.

18. Entire Agreement

This offer and the documents referenced in this letter constitute the entire agreement between you and SHS and supersedes all prior contracts, agreements and understandings between the parties.

19. Governing Law

Unless otherwise stated, your employment and this conditional offer letter shall be governed by and construed in accordance with the laws of the Province of Ontario

Please be advised that the terms of this conditional offer are confidential. We ask that you not discuss the terms with anyone other than members of your immediate family and/or an advisor.

We are pleased to make this offer of employment to you and hope that you will accept it. To indicate your acceptance of this offer, kindly sign, date, witness, and return all the pages of this letter, and any accompanying documents, to SHS Services Management Inc. via scanned email document to humanresources@shsServices.ca by August 16, 2013 by 6:00pm EST

Again, we are pleased to extend to you this offer of employment to you and look forward to working with you in the future. If you have any questions regarding this letter or attached documents, please contact the SHS representative that presented you with this Offer of Employment letter, or by email to humanresources@shsservices.ca.

Yours truly,

SHS SERVICES MANAGEMENT INC.

Per: _____
SHS Hiring Manager

Signature

I have read the above Offer of Employment and I accept this Offer of Employment with SHS Services Management Inc., on the terms and conditions set out in this letter.

Dated this 21 day of Aug, 2013

[Redacted]

Witness Signature

Witness Name

Offer Letter drafted and approved by: SHS Human Resources

This is Exhibit "N" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.


A Commissioner, etc.

Le 1er août 2014

SEARS CANADA INC.
290 YONGE STREET, SUITE 700
LEGAL DEPT.
TORONTO (ONTARIO) M5B 2C3

Référence : Dossier n° 620067336

Objet : Réclamation de montants dus à certains membres de votre personnel

Madame,
Monsieur,

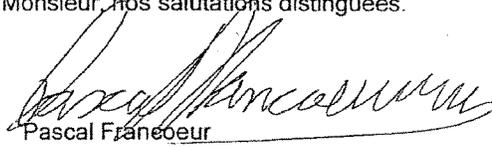
Nous vous transmettons les documents Sommaire de la réclamation et Détail de la réclamation. Ces documents indiquent ce que vous devez à certains membres de votre personnel, selon l'enquête que nous avons menée. Le montant que doit votre entreprise est précisé au bas du Sommaire de la réclamation.

Nous transférons le dossier à l'un de nos avocats de la Direction générale des affaires juridiques. Les coordonnées de ce bureau sont les suivantes :

Direction générale des affaires juridiques
Commission des normes du travail
500, boulevard René-Lévesque Ouest
25e étage
Montréal (Québec) H2Z 2A5
Tél. : 514 864-1237
Sans frais : 1 888 501-1886

Pour obtenir de l'information sur ce dossier, vous devez maintenant communiquer avec le personnel de ce bureau. Veuillez alors mentionner votre numéro de dossier.

Nous vous prions de recevoir, Madame, Monsieur, nos salutations distinguées.



Pascal Frénoeur
Responsable du dossier
Tél. : 514 873-4947, poste 3119
Sans frais : 1 800 567-4947

p. j. Sommaire de la réclamation
Détail de la réclamation

Le 1er août 2014

SEARS CANADA INC.
290 YONGE STREET, SUITE 700
LEGAL DEPT.
TORONTO (ONTARIO) M5B 2C3

Référence : Dossier n° 620067336

Objet : Sommaire de la réclamation

SALARIÉS	MONTANT RÉCLAMÉ	MONTANT PAYÉ	MONTANT REÇU PPS	SOLDE
RAPHY ABERGEL	5 215,20 \$	0,00 \$	0,00 \$	5 215,20 \$
YOLANDE AFFOUE				
ALLAH	5 489,70 \$	0,00 \$	0,00 \$	5 489,70 \$
DIANE ANDRÉ	4 970,80 \$	0,00 \$	0,00 \$	4 970,80 \$
PATRICA LORETT				
ANGUILET	5 148,00 \$	0,00 \$	3 402,17 \$	1 745,83 \$
MICHEL ARSENEAULT	7 739,97 \$	0,00 \$	0,00 \$	7 739,97 \$
ELIAS ATIE	8 504,97 \$	0,00 \$	0,00 \$	8 504,97 \$
ANNE-MARIE AUBIN	4 797,06 \$	0,00 \$	3 423,41 \$	1 373,65 \$
AUDREY BASTILLE	8 127,68 \$	0,00 \$	0,00 \$	8 127,68 \$
ROBERT BEDARD	14 934,42 \$	0,00 \$	3 468,89 \$	11 465,53 \$
SERGE BELLAVANCE	21 946,10 \$	0,00 \$	0,00 \$	21 946,10 \$
CHARLES BENEDEK	19 043,07 \$	0,00 \$	0,00 \$	19 043,07 \$
YVAN BERNARD	10 176,00 \$	0,00 \$	3 483,52 \$	6 692,48 \$
MARION BLAIR	4 797,06 \$	0,00 \$	0,00 \$	4 797,06 \$
LOUIS BLAIS	8 140,80 \$	0,00 \$	0,00 \$	8 140,80 \$
SUZANNE				
BOISSONNEAULT	5 805,15 \$	0,00 \$	0,00 \$	5 805,15 \$
OVIDIUS BOTEZATU	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
ANTHIME BOULAY	9 024,04 \$	0,00 \$	0,00 \$	9 024,04 \$
GINETTE BOUTIN	4 877,02 \$	0,00 \$	0,00 \$	4 877,02 \$
LOUISE BRIÈRE	5 538,03 \$	0,00 \$	0,00 \$	5 538,03 \$
ALAIN BUREAU	9 984,00 \$	0,00 \$	0,00 \$	9 984,00 \$
JOSÉ CABRAL	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
JEAN CAMPBELL	8 121,98 \$	0,00 \$	0,00 \$	8 121,98 \$
LISE CARON	4 889,31 \$	0,00 \$	3 405,23 \$	1 484,08 \$
DANIEL CHARBONNEAU	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
GILLES CHARBONNEAU	12 412,81 \$	0,00 \$	3 483,52 \$	8 929,29 \$

REGENT LATREILLE	10 176,00 \$	0,00 \$	3 483,52 \$	6 692,48 \$
MARC LAVOYE	14 040,00 \$	0,00 \$	0,00 \$	14 040,00 \$
ALICE LE CHENE	4 965,63 \$	0,00 \$	0,00 \$	4 965,63 \$
CHRISTIANE LEGARÉ	12 506,12 \$	0,00 \$	0,00 \$	12 506,12 \$
ROXANNE LETOURNEAU	4 993,62 \$	0,00 \$	0,00 \$	4 993,62 \$
BERNARD LONGPRÉ	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
JOHANNE MASSE	6 630,30 \$	0,00 \$	3 483,52 \$	3 146,78 \$
JACQUES MATHIEU	8 977,14 \$	0,00 \$	0,00 \$	8 977,14 \$
LOUCIA MATOSSIAN	7 160,40 \$	0,00 \$	3 351,06 \$	3 809,34 \$
DIANE MATTE	8 133,62 \$	0,00 \$	3 483,52 \$	4 650,10 \$
REGINALD MC NICOLL	27 134,11 \$	0,00 \$	3 483,52 \$	23 650,59 \$
KARINE MERCIER	8 988,96 \$	0,00 \$	3 483,52 \$	5 505,44 \$
ROBERT METCALFE	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
CHRISTIANE OUELLETTE	11 362,89 \$	0,00 \$	0,00 \$	11 362,89 \$
ALEXANDRE PAGEAU- COLPRON	4 797,06 \$	0,00 \$	0,00 \$	4 797,06 \$
SYLVIE PARENT	8 386,56 \$	0,00 \$	3 098,00 \$	5 288,56 \$
DENIS PELLETIER	9 050,79 \$	0,00 \$	3 483,52 \$	5 567,27 \$
HÉLÈNE PERRON	7 527,06 \$	0,00 \$	3 272,23 \$	4 254,83 \$
GINETTE PIGEON	7 230,67 \$	0,00 \$	3 483,52 \$	3 747,15 \$
LUISA FERNANDA PLAZAS	4 797,06 \$	0,00 \$	3 483,52 \$	1 313,54 \$
ESTELLE PORTELANCE	4 889,31 \$	0,00 \$	3 401,43 \$	1 487,88 \$
CLAUDE POTVIN	12 230,74 \$	0,00 \$	3 483,52 \$	8 747,22 \$
LINE POTVIN	7 862,82 \$	0,00 \$	3 483,52 \$	4 379,30 \$
GILBERT PROVENCAL	5 616,00 \$	0,00 \$	0,00 \$	5 616,00 \$
MONIQUE RACINE	5 948,34 \$	0,00 \$	0,00 \$	5 948,34 \$
ANDRE RATAJCZAK	10 176,00 \$	0,00 \$	0,00 \$	10 176,00 \$
MIKOLAJ RATAJCZAK	5 990,40 \$	0,00 \$	0,00 \$	5 990,40 \$
JEAN RENAUD	18 991,47 \$	0,00 \$	3 483,52 \$	15 507,95 \$
MARIELLE RICHARD	8 562,72 \$	0,00 \$	3 483,52 \$	5 079,20 \$
NOREEN ROBERTS	5 148,00 \$	0,00 \$	0,00 \$	5 148,00 \$
PIERRETTE ROGER	6 185,40 \$	0,00 \$	3 483,52 \$	2 701,88 \$
JOHN ROSSI	10 176,00 \$	0,00 \$	3 483,52 \$	6 692,48 \$
JOHANNE ROY	5 850,00 \$	0,00 \$	0,00 \$	5 850,00 \$
NATHALIE ROY	5 043,48 \$	0,00 \$	3 220,67 \$	1 822,81 \$
RAYMOND ROY	11 301,21 \$	0,00 \$	3 483,52 \$	7 817,69 \$
MASY SAM	7 488,00 \$	0,00 \$	0,00 \$	7 488,00 \$
MALINA SANANIKONE	5 148,00 \$	0,00 \$	0,00 \$	5 148,00 \$
ROBERT SARRAZIN	16 467,57 \$	0,00 \$	3 483,52 \$	12 984,05 \$
CINTHIA SAVOIE	8 817,50 \$	0,00 \$	0,00 \$	8 817,50 \$
DIANE SKIDMORE	6 969,03 \$	0,00 \$	3 483,52 \$	3 485,51 \$
JOANNE ST-AMAND	7 298,10 \$	0,00 \$	3 341,73 \$	3 956,37 \$
GINO STROMEI	19 679,96 \$	0,00 \$	0,00 \$	19 679,96 \$
LUCIE TEIXEIRA	7 298,10 \$	0,00 \$	3 358,18 \$	3 939,92 \$
JULIE THERIAULT	9 051,12 \$	0,00 \$	0,00 \$	9 051,12 \$
CARL TOUSIGNANT	16 049,90 \$	0,00 \$	0,00 \$	16 049,90 \$

MICHEL TREMBLAY	17 300,28 \$	0,00 \$	0,00 \$	17 300,28 \$
STEPHANE TREMBLAY	8 140,80 \$	0,00 \$	0,00 \$	8 140,80 \$
ANDRÉ TRUDEL	13 737,81 \$	0,00 \$	3 483,52 \$	10 254,29 \$
HÉLÈNE TURCOTTE	17 865,52 \$	0,00 \$	0,00 \$	17 865,52 \$
ISABELLE VANIER	11 909,02 \$	0,00 \$	3 483,52 \$	8 425,50 \$
STEVEN VEGH	4 923,36 \$	0,00 \$	0,00 \$	4 923,36 \$
PHILOMENA VERDINO	8 751,36 \$	0,00 \$	0,00 \$	8 751,36 \$
KAREN WALL	7 043,46 \$	0,00 \$	0,00 \$	7 043,46 \$
BATOUL WEHBI	4 914,00 \$	0,00 \$	0,00 \$	4 914,00 \$
<hr/>				
TOTAL	1 159 342,93 \$	0,00 \$	149 956,74 \$	1 009 386,19 \$

Le montant réclamé est de 1 009 386,19 \$, incluant le montant de 25 148,04 \$ pour les frais liés au travail.

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RIVEST, TELLIER, PARADIS
Avocats

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RECOMMANDÉ

Montréal, le 4 août 2014

SEARS CANADA INC.
290 YONGE STREET, SUITE 700
LEGAL DEPT
TORONTO (ONTARIO) M5B 2C3

Référence : Dossier n° 62-0067336 MB
Employeurs : GESTION DES SERVICES SHS INC.
SEARS CANADA INC.

Objet : Mise en demeure

Madame,
Monsieur,

Notre cliente, la Commission des normes du travail, vous réclame la somme de 1 009 386,19 \$. Elle vous a d'ailleurs expédié récemment un « Détail de réclamation » qui précise le montant réclamé.

Vous avez 20 jours pour nous remettre ce paiement en nous faisant parvenir un chèque à l'ordre de la Commission des normes du travail à l'adresse mentionnée au bas de cette lettre. Nous vous rappelons que vous devez faire les retenues à la source appropriées sur le salaire que nous vous réclamons. De plus, vous devez joindre à votre paiement un bulletin de paye expliquant le détail de ces retenues pour chacun des salariés concernés.

Si nous ne recevons pas votre paiement dans ce délai, les procédures judiciaires seront intentées contre vous, sans autre avis ni délai. Dans ce cas, la réclamation portera intérêts et un montant additionnel sera réclamé conformément à l'article 114 de la Loi sur les normes du travail ainsi que les frais judiciaires relatifs à une telle poursuite.

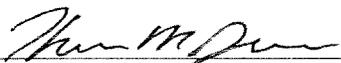
Veuillez agir en conséquence.


Marc Beaudry,
Avocat

Commission des normes du travail
500, boulevard René-Lévesque Ouest
25e étage
Montréal (Québec) H2Z 2A5
Téléphone : 514 864-1237
Sans frais : 1 888 501-1886
Télécopieur : 514 873-0960



This is Exhibit "O" referred to in the
affidavit of Pamela Murphy
sworn before me, this 8 day of
July, 2016.



A Commissioner, etc.

From: Beaudry, Marc <Marc.Beaudry@cnt.gouv.qc.ca>
Sent: September-05-14 11:14 AM
To: Gingras, Marie-Ève
Subject: RE: Commission des normes du Travail c. Sears Canada inc. / votre dossier 62-0067336 MB

Chère collègue,

Nous n'écrivons pas de lettre à cet effet mais je peux par le biais du présent courriel confirmer le contenu de votre précédent courriel à l'effet que Sears Canada Inc. ne fera pas l'objet d'une poursuite judiciaire dans le cadre du dossier précité puisqu'elle n'est pas l'employeur au sens de la loi et que seule SHS est responsable des sommes impayées aux employés.

Bien à vous.

Marc Beaudry | Avocat

Rivest, Tellier, Paradis
Commission des normes du travail
500 boul. René-Lévesque Ouest, 26e étage
Montréal (Québec) H2Z 2A5
T. 514.499.7240 | F. 514.873.0960

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 Merci de penser à l'environnement avant d'imprimer ce courriel

De : Gingras, Marie-Ève [mailto:mgingras@torys.com]
Envoyé : 5 septembre 2014 10:42
À : Beaudry, Marc
Objet : RE: Commission des normes du Travail c. Sears Canada inc. / votre dossier 62-0067336 MB

Re-bonjour Me Beaudry,

Serait-il possible de me confirmer le tout par lettre pour le dossier de ma cliente?

Merci de votre collaboration, et bonne journée,

Marie-Ève Gingras
Torys

Tél. : 514.868.5607
Télé. : 514.868.5700
mgingras@torys.com
www.torys.com

From: Gingras, Marie-Ève
Sent: 5 septembre 2014 10:24
To: 'marc.beaudry@cnt.gouv.qc.ca'
Subject: Commission des normes du Travail c. Sears Canada inc. / votre dossier 62-0067336 MB

Bonjour Me Beaudry,

Suite à notre conversation de ce jour, la présente est pour confirmer que, suite à votre révision du dossier, la Commission des normes du travail en est venue à la conclusion que ma cliente, Sears Canada Inc., n'était pas l'employeur des personnes pour lesquelles une somme de 1 009 386,19\$ était réclamée dans votre lettre de mise en demeure du 4 août dernier.

En conséquence, aucune procédure ne sera entreprise contre ma cliente à cet égard puisque la Commission a conclu que cette somme n'était pas due par Sears Canada Inc., mais était plutôt due par Gestion des services SHS Inc.

Je vous prie de recevoir, Me Beaudry, mes salutations distinguées

Marie-Ève Gingras
Torys
Tél. : 514.868.5607
Télé. : 514.868.5700
mgingras@torys.com
www.torys.com

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BARRY PATRICK KENNY. v. SHS SERVICES MANAGEMENT INC. et al.
Plaintiff Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceeding commenced at LONDON

**RESPONDING MOTION RECORD OF THE
DEFENDANT SEARS CANADA INC.
(Motion for Certification)**

Torys LLP
79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, ON M5K 1N2
Fax: 416.865.7380

Patricia D.S. Jackson (LSUC #:18466S)
Tel: 416.865.7323

Arlen K. Sternberg (LSUC #: 42344D)
Tel: 416.865.8203

Rebecca Wise (LSUC #: 60005W)
Tel: 416.865.7231

Lawyers for the Defendant Sears Canada Inc.

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 ELECTRIQUE 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 OCRP., SEARS FLOOR CLVERING 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.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial list)

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD
VOL. 3

MCKENZIE LAKE LAWYERS LLP

1800-140 Fullarton Street
London ON N6A 5P2

Michael J. Peerless (34127P)

Sabrina Lombardi (52116R)

Emily Assini (59137J)

Tel: 519-672-5666

Fax: 519-672-2674

Lawyers for the Moving Party/Creditor