

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

**SEARS CANADA INC.,  
AND RELATED APPLICANTS**

**FORTY-SEVENTH REPORT OF FTI CONSULTING CANADA INC., AS MONITOR**

**October 18, 2021**

## Contents

<b>Section</b>	<b>Page</b>
A. INTRODUCTION.....	2
B. PURPOSE .....	5
C. TERMS OF REFERENCE.....	5
D. UPDATE ON THE CCAA PROCEEDINGS AND ACTIVITIES OF THE SEARS CANADA ENTITIES AND THE MONITOR .....	7
E. RECEIPTS AND DISBURSEMENTS FOR THE THIRTEEN WEEK PERIOD ENDING OCTOBER 9, 2021 .....	10
F. SUMMARY OF RECEIPTS AND DISBURSEMENTS .....	11
G. CCAA TERMINATION ORDER.....	13

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

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

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

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

APPLICANTS

**FORTY-SEVENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**A. INTRODUCTION**

1. On June 22, 2017, Sears Canada Inc. (“**Sears Canada**”) and a number of its operating subsidiaries (collectively, with Sears Canada, the “**Applicants**”) sought and obtained an initial order (as amended and restated on July 13, 2017, the “**Initial Order**”), under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The relief granted pursuant to the Initial Order was also extended to Sears Connect, a partnership forming part of the operations of the Applicants (and together with the Applicants, the “**Sears Canada Entities**”). The proceedings commenced under the CCAA by the Applicants are referred to herein as the “**CCAA Proceedings**”.

2. The Initial Order, among other things:
  - (a) appointed FTI Consulting Canada Inc. as monitor of the Sears Canada Entities (the “**Monitor**”) in the CCAA Proceedings; and
  - (b) granted an initial stay of proceedings against the Sears Canada Entities until July 22, 2017 (the “**Stay Period**”), which has subsequently been extended from time to time, most recently to October 30, 2021.

A copy of the Amended and Restated Initial Order, dated June 22, 2017, is attached hereto as **Appendix “A”**.

3. On July 18, 2017, the Court issued an order approving an agreement and a process for the liquidation of inventory and FF&E at certain initial closing Sears Canada locations.
4. On October 13, 2017, the Court issued, among other orders, an order approving an agreement and a process for the liquidation of the inventory and FF&E at all remaining Sears Canada retail locations. The liquidation of all inventory and FF&E was completed and all Sears Canada retail locations were closed.
5. On December 8, 2017, the Court issued an Order (the “**Claims Procedure Order**”) approving a claims process for the identification, determination, and adjudication of claims of creditors against the Sears Canada Entities and their Officers and Directors.
6. On February 22, 2018, the Court issued an Employee and Retiree Claims Procedure Order (the “**E&R Claims Procedure Order**” and, together with the Claims Procedure Order, the “**Claims Procedure Orders**”) approving a process for the identification, determination, and adjudication of claims of employees and retirees of the Sears Canada Entities.
7. On October 16, 2018, FTI Consulting Canada Inc. was appointed receiver (in such capacity, the “**Receiver**”), without security, of certain bank accounts of the Applicants to a maximum of \$500, collectively, in all such accounts, and no other property of the Applicants. The primary purpose of the Receiver’s appointment was to allow for payments from the Federal Government to eligible former employees of the Sears

Canada Entities pursuant to the *Wage Earner Protection Program Act* (Canada). A copy of the Amended and Restated Receivership Order dated October 16, 2018 is attached hereto as **Appendix “B”**.

8. On December 3, 2018, the Monitor and the Honourable J. Douglas Cunningham, Q.C., as Court-appointed litigation trustee (the “**Litigation Trustee**”), were authorized by the Court to pursue litigation against certain third parties on behalf of Sears Canada and its creditors, in connection with the payment of certain dividends (the “**2013 Dividend**”) by Sears Canada to its shareholders in 2013 (the “**Estate 2013 Dividend Litigation**”). The Court also lifted the stay of proceedings in the Initial Order to allow the Estate 2013 Dividend Litigation, as well as a claim by Morneau Shepell Ltd., as pension plan administrator (the “**Pension Plan Administrator**”), and class action claims (collectively, the “**Dealer Class Action**”) by certain “Sears Hometown” store dealers, each also arising from the 2013 Dividend, to be commenced or continued.
9. All claims in the Estate 2013 Dividend Litigation, as well as the claim by the Pension Plan Administrator and the Dealer Class Action are now the subject of settlement agreements that have been approved by the Court and implemented.
10. On October 27, 2020, the Court issued an Order (the “**A&R Meetings Order**”) authorizing the Monitor to file an amended and restated joint plan of compromise and arrangement in respect of the Sears Canada Entities (the “**Plan**”) and to convene meetings of Affected Unsecured Creditors (the “**Meetings**”) for the purpose of considering and voting on the Plan. The Plan was approved by the requisite majorities of creditors voting at the Meetings held on November 16, 2020. The Plan was approved by the Court pursuant to a Plan Sanction Order granted on November 23, 2020 and the Plan Implementation Date (as defined in the Plan) occurred on December 14, 2020. A copy of the Plan Sanction Order and the Monitor’s certificate confirming the Plan Implementation Date are attached hereto as **Appendices “C”** and “**D**”.
11. In connection with the CCAA Proceedings, the Monitor has provided forty-six reports and twenty-five supplemental reports (collectively, the “**Prior Reports**”), and prior to its appointment as Monitor, FTI also provided to this Court a pre-filing report of the

proposed Monitor dated June 22, 2017 (the “**Pre-Filing Report**”). The Pre-Filing Report, the Prior Reports, and other Court-filed documents and notices in these CCAA Proceedings are, or will be made, available on the Monitor’s website at [cfcanada.fticonsulting.com/searscanada](http://cfcanada.fticonsulting.com/searscanada).

## B. PURPOSE

12. The purpose of this forty-seventh report of the Monitor (the “**Forty-Seventh Report**”) is to provide the Court with information regarding:
  - (a) the status of the CCAA Proceedings, including the claims process established pursuant to the Claims Procedure Orders and implementation of the Plan and distributions thereunder;
  - (b) the Monitor’s motion for Orders (the “**CCAA Termination Order**”):
    - (i) extending the Stay Period (as defined in the Initial Order) until such date as the Monitor delivers the CCAA Termination Certificate (as defined below);
    - (ii) approving the fees and disbursements of the Monitor and its counsel, Norton Rose Fulbright Canada LLP, for the period from June 1, 2021 until September 30, 2021;
    - (iii) approving this Forty-Seventh Report and the Prior Reports and the Monitor’s activities as described herein and therein; and
    - (iv) terminating the CCAA Proceedings and discharging and releasing the Monitor and the Receiver on a date to be determined by the Monitor as evidenced by the filing of the CCAA Termination Certificate.

## C. TERMS OF REFERENCE

13. In preparing this Forty-Seventh Report, the Monitor has relied upon audited and unaudited financial information of the Sears Canada Entities, the Sears Canada Entities’ books and records, and discussions and correspondence with, among others, advisors to the Sears Canada Entities’ stakeholders (collectively, the “**Information**”).

14. Except as otherwise described in this Forty-Seventh Report:
  - (a) the Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*; and
  - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in this Forty-Seventh Report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*.
15. Future-oriented financial information reported in or relied on in preparing this Forty-Seventh Report is based on assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.
16. The Monitor has prepared this Forty-Seventh Report in connection with its request for the CCAA Termination Order. The Forty-Seventh Report should not be relied on for any other purpose.
17. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
18. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the following documents filed as part of the CCAA Proceedings: (i) the affidavits of Mr. Billy Wong, the former Chief Financial Officer of Sears Canada; (ii) the affidavit of Ms. Becky Penrice, the former Executive Vice-President and Chief Operating Officer of Sears Canada; (iii) the affidavits of Mr. Philip Mohtadi, the former General Counsel and Corporate Secretary of Sears Canada; (iv) the Plan; and (v) the Prior Reports.

**D. UPDATE ON THE CCAA PROCEEDINGS AND ACTIVITIES OF THE SEARS CANADA ENTITIES AND THE MONITOR**

*The Plan*

19. In order to distribute the proceeds from the liquidation of the assets of the Sears Canada Entities and the Estate 2013 Dividend Litigation to creditors in accordance with their entitlements, the Monitor developed the Plan.
20. A detailed description of the Plan is included in the Twenty-Ninth Report of the Monitor dated February 6, 2019 and the Supplements thereto.
21. As noted above, the Plan, as amended and restated, was voted upon and approved by the requisite majorities of creditors at Meetings held on November 16, 2020 and was approved by the Court pursuant to a Plan Sanction Order granted on November 23, 2020.
22. The Plan Implementation Date (as defined in the Plan) occurred on December 14, 2020.
23. The initial distributions to substantially all unsecured creditors with proven claims against the Sears Canada Entities have been made under the Plan.
24. In total, \$180.9 million has been distributed to unsecured creditors of the Sears Parties; \$9.9 million has been distributed to unsecured creditors of the SLH Parties and \$41,867 has been distributed to unsecured creditors of 9370-2751 Québec Inc. (formerly Corbeil Électrique Inc.). These initial Plan Distribution amounts included approximately \$8.2 million in distributions to former employees, retirees and other creditors that were either returned to the Monitor due to outdated banking information or mailing addresses or which have not been cashed as of the date of this report. As of the date of this report, the Monitor has successfully re-issued approximately \$4.5 million of such payments. In addition to the amounts that were distributed directly to creditors, the Monitor holds approximately \$16.5 million for payment to the Government of Canada in respect of its subrogated claim under the Wage Earner Protection Program and Employment Insurance overpayments resulting from the initial Plan Distributions.



25. Set out below is a summary of the percentage recovery of each unsecured creditor of the Sears Canada Entities who has received a distribution on account of their proven unsecured claims against the Sears Canada Entities as of the date of this Report:
- (a) unsecured creditors of 9370-2751 Québec Inc. (formerly Corbeil Électrique Inc.): 100%
  - (b) unsecured creditors of 191020 Canada Inc. (formerly S.L.H. Transport Inc.) and 168886 Canada Inc.: 23.06%
  - (c) unsecured creditors of all other Sears Canada Entities: 8.97% for those unsecured creditors who opted out of participation in the Estate 2013 Dividend Litigation; and 10.38% for those unsecured creditors who did not opt out of participation in the Estate 2013 Dividend Litigation.
26. The Monitor estimates that a final distribution will be made to the unsecured creditors of the Sears Canada Entities, other than the creditors of 9370-2751 Québec Inc., in the near future. The remaining distributions are not expected to materially increase recoveries to those unsecured creditors. The timing and amount of such distributions will depend upon: (i) the resolution of remaining disputed claims in the claims process, as discussed in greater detail below; and (ii) the costs of the remaining administrative steps to complete the CCAA Proceedings.

#### *Claims Process*

27. As noted in Prior Reports, in connection with the Claims Procedure Orders, the Monitor has received nearly 3,000 Proofs of Claim and D&O Proofs of Claim.
28. To the extent that disputes in respect of Claims and D&O Claims could not be resolved consensually and expeditiously, the Monitor has referred those claims to the Honourable James Farley (the “**Claims Officer**”), one of the two claims officers appointed pursuant to the Claims Procedure Orders, for adjudication.

29. In total, eight disputed claims have been referred to the Claims Officer so far, all of which have now been finally determined by the Claims Officer, or consensually resolved.
30. There is only one claim filed against the Sears Canada Entities that has not yet been resolved. The claim was asserted by a former customer in a maximum aggregate amount of \$1,000,000. The Monitor is in discussions with counsel to the former customer creditor and expects to resolve this remaining claim in the near future. The Monitor is also aware that additional claims not filed in these proceedings are being pursued solely for the purpose of recovering from any insurance available to the Sears Canada Entities.
31. The Monitor is not aware of any unresolved D&O Proof of Claim that now advances a claim in a specified amount against any current or former directors or officers of the Sears Canada Entities.<sup>1</sup>

*Other Activities of the Monitor*

32. The Monitor, in addition to assisting in the matters detailed above, has also undertaken the following activities:
  - (a) Continued to review and monitor disbursements;
  - (b) Updated the claims database for changes in creditor status and contact details;
  - (c) Issued Notices of Revision or Disallowance in connection with claims filed;
  - (d) Provided regular updates to Employee Representative Counsel (“**ERC**”) and Pension Representative Counsel (“**PRC**”) with respect to CCAA matters including the status of initial distributions to former employees and retirees;

---

<sup>1</sup> The Monitor notes that certain ‘marker’ proofs of claim were filed against the current and former directors and officers of the Sears Canada Entities. However, these proofs of claim do not claim a specific amount against any particular current or former director or officer.

- (e) Participated on multiple calls and corresponded with representatives from Canada Revenue Agency to discuss and coordinate tax related matters;
- (f) Responded to over 4,700 calls and emails from former employees and retirees inquiring as to the status of, and other matters related to, their initial Plan Distributions;
- (g) Coordinated reissuing approximately 550 initial Plan Distributions to former employee and retiree creditors, the majority of which had been rejected due to outdated mailing or banking information;
- (h) Worked closely with the Warranty Claims Administrator to continue to implement the Pre-Filing Warranty Claims process including responding to email and voicemail requests from potential Pre-Filing Warranty Claim holders, reviewing claims and coordinating the issuance of distributions in respect of Proven Claims from the Warranty Reimbursement Pool; and
- (i) Corresponded with Pension Representative Counsel, counsel to the Financial Services Regulatory Authority and the Financial Services Tribunal regarding certain matters involving the Sears Canada Inc. Registered Retirement Plan (the “**Pension Plan**”) and the application of the Pension Benefit Guarantee Fund to certain members of the Pension Plan.

**E. RECEIPTS AND DISBURSEMENTS FOR THE THIRTEEN WEEK PERIOD ENDING OCTOBER 9, 2021**

33. The Sears Canada Entities’ actual net operating cash flows, before Plan Distributions, for the thirteen week period ending October 9, 2021 totalled approximately \$2.4 million resulting in a positive variance of \$3.2 million compared to forecast net operating cash out flows of \$0.8 million. During the period, the Monitor, on behalf of the Sears Canada Entities, administered Plan Distributions totaling \$3.8 million. A comparison of the actual versus forecast cash flows for the period ending October 9, 2021 is presented in the table below:

<b>VARIANCE REPORT</b>			
	<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>
(CAD in Millions)			
<b>Receipts</b>	<b>2.6</b>	<b>-</b>	<b>2.6</b>
<b>Operating Disbursements</b>			
Payroll and Employee Related Costs	(0.0)	(0.0)	0.0
Non-Merchandise Vendors	(0.2)	(0.8)	0.6
IT and Data Storage Costs	-	(0.0)	0.0
<b>Total Operating Disbursements</b>	<b>(0.3)</b>	<b>(0.8)</b>	<b>0.6</b>
<b>Net Operating Cash Inflows / (Outflows)</b>	<b>2.4</b>	<b>(0.8)</b>	<b>3.2</b>
Professional Fees	(0.8)	(0.6)	(0.2)
CCAA Plan Distributions	(3.8)	-	(3.8)
<b>Net Cash Inflows / (Outflows)</b>	<b>(2.2)</b>	<b>(1.4)</b>	<b>(0.8)</b>

34. Explanations for the key variances in actual cash flows are as follows:

- (a) The positive variance in Receipts of \$2.6 million is a permanent difference compared to the forecast and consists primarily of sales tax refunds that were not included in the forecast due to uncertainty in respect of the timing and amount of any refunds;
- (b) The positive variance in non-merchandise vendors of \$0.6 million consists primarily of differences between actual and forecast disbursements in respect of workplace insurance premiums for the post-filing period; and
- (c) The negative variance in restructuring fees of \$0.2 million is a timing difference which is expected to reverse in future reporting periods.

As noted above, actual cash flow results include certain delayed initial Plan Distributions to creditors with proven unsecured claims in accordance with the Plan.

## **F. SUMMARY OF RECEIPTS AND DISBURSEMENTS**

35. The Sears Canada Entities' cumulative receipts and disbursements since the commencement of the CCAA Proceedings through the week ended October 9, 2021 are reflected in the table below:

<b>CUMULATIVE RECEIPTS AND DISBURSEMENTS</b>	
(CAD in Millions)	
<b>For the Period Ending October 9, 2021</b>	
<b>Receipts</b>	<b>1,429.1</b>
<b>Operating Disbursements</b>	
Payroll and Employee Related Costs	(268.3)
Merchandise Vendors	(289.4)
Owned Real Property - Carrying Costs	(4.5)
Non-Merchandise Vendors	(186.8)
Rent and Property Taxes	(91.3)
Sales Taxes	(65.3)
Pension	(14.7)
IT Costs	(27.3)
Recovery of Expenses from Agent	83.6
Capital Expenditures	(0.8)
<b>Total Operating Disbursements</b>	<b>(864.8)</b>
<b>Net Operating Cash Inflows / (Outflows)</b>	<b>564.3</b>
Professional Fees	(113.7)
Repayments of Existing Credit Facilities	(283.3)
DIP Fees and Interest Paid	(19.7)
CCAA Plan Distributions	(187.1)
<b>Net Cash Inflows / (Outflows)</b>	<b>(39.5)</b>
<b>Cash</b>	
Beginning Balance	126.5
Net Cash Inflows / (Outflows)	(39.5)
DIP Draws / (Repayments)	(32.0)
Others incl. FX Valuation	(3.0)
<b>Ending Balance</b>	<b>52.0</b>

36. The Initial Order allowed the Sears Canada Entities to continue to use their existing Cash Management System as described in the First Wong Affidavit and the Pre-Filing Report. After the commencement of the CCAA Proceedings, the Sears Canada Entities continued to use their Cash Management System in a manner consistent with past practice. Sears Canada, in consultation with the Monitor, continues to close bank

accounts that are no longer needed and consolidate funds in the remaining operating accounts. Substantially all of these amounts will be transferred to the Monitor's trust account. The Monitor continues to permit these funds to be made available to Sears Canada to the extent necessary to fund remaining ordinary course costs.

## G. CCAA TERMINATION ORDER

### *Stay Extension and CCAA Termination*

37. The Stay Period currently expires on October 30, 2021.
38. The Monitor believes that additional time will be required to complete the following matters:
  - (a) Resolution of remaining disputed claims;
  - (b) Completing final distributions under the Plan;
  - (c) Preparing and distributing tax reporting related documents in respect of plan distributions; and
  - (d) Responding to information requests from former employees, retirees, other creditors, ERC, PRC and other stakeholders

(collectively, the "**Remaining Matters**").
39. The activities of the Receiver in connection with its appointment, and in particular, the Wage Earner Protection Program, are substantially completed.
40. To limit cost and reduce court attendances, the Monitor proposes that the Stay Period be extended until such time as the Remaining Matters are completed.
41. The Applicants have proceeded in good faith and with due diligence under the supervision of the Monitor in accordance with the court-approved Governance Protocol since the date of the last extension of the Stay Period.

42. The Applicants have sufficient liquidity to fund these proceedings in order to complete the Remaining Matters.
43. The Monitor does not believe any creditor would be materially prejudiced by the extension of the Stay Period to permit the completion of the Remaining Matters.
44. The Monitor will advise the Service List of the completion of the Remaining Matters, and thereafter deliver a certificate confirming such completion to the Service List and to the Court (the “**CCAA Termination Certificate**”).
45. Upon delivery of the CCAA Termination Certificate:
  - (a) the Stay Period would terminate;
  - (b) the CCAA Proceedings would terminate; and
  - (c) FTI Consulting Canada Inc. would be discharged from its role as Monitor and Receiver and released on customary terms.
46. The proposed CCAA Termination Order contemplates releases in favour of the Monitor and the Receiver effective to the date of the CCAA Termination Order, if granted, and separate releases for the period between the date of the CCAA Termination Order and the date of the CCAA Termination Certificate (the “**Subsequent Releases**”). The proposed Order provides that the Monitor shall, at least seven days prior to the delivery of the CCAA Termination Certificate, provide notice to the Service List so that any party with an interest may object to the Subsequent Releases if they wish to do so. If no objections are received before the proposed date for delivery of the CCAA Termination Certificate, the Subsequent Releases shall become effective on the date of delivery of the CCAA Termination Certificate.
47. The Monitor’s proposed approach to the termination of these proceedings has been used in other cases, including the CCAA proceedings of *Timminco Limited* and *Nelson Education Ltd.* The termination orders granted in those proceedings are attached hereto as **Appendices “E”** and **“F”**. The Monitor proposes this termination procedure to further limit costs of additional court attendances and believes the procedure is

appropriate in the current case, where the operations of the Applicants have been terminated for over three years, the Plan was approved several months ago, and distributions and claim resolution are substantially completed.

*Approval of Monitor's Reports and Activities*

48. The Monitor has filed forty-seven reports and twenty-five supplemental reports in these CCAA Proceedings.
49. The Forty-Seventh Report and the Prior Reports set out in detail the activities of the Monitor during these CCAA Proceedings.
50. The Monitor notes that the approval of its activities and reports is limited such that only the Monitor, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

*Fee Approvals*

51. The Monitor and its counsel, Norton Rose Fulbright Canada LLP (“NRFC”) have each maintained detailed records of their time and disbursements with respect to the CCAA Proceedings.
52. The fees and disbursements of the Monitor and NRFC in connection with the CCAA Proceedings were most recently approved for the period up to and including May 31, 2021.
53. Attached as Exhibit “A” to the Affidavit of Steven Bissell sworn October 15, 2021 that is attached as **Appendix “G”** to this Forty-Seventh Report (the “**Bissell Affidavit**”) are copies of the invoices rendered by the Monitor in respect of the CCAA Proceedings for the period June 1, 2021 to September 30, 2021. The Monitor’s accounts for the period from June 1, 2021 to September 30, 2021 total \$401,468.50 in fees, \$1,072.38 in disbursements, and \$52,330.32 in HST for a total amount of \$454,871.20. Exhibit “C” to the Bissell Affidavit contains a summary of the personnel, hours and hourly rates charged by the Monitor in respect of the CCAA Proceedings during the applicable period.



54. Attached as Appendix “H” to this Forty-Seventh Report is the Affidavit of Orestes Pasparakis, sworn October 15, 2021 (the “**Pasparakis Affidavit**” and, together with the Bissell Affidavit, the “**Fee Affidavits**”). NRFC’s accounts in connection with the CCAA Proceedings for the period from June 1, 2021 to September 30, 2021 total \$108,392.60 in fees, \$1,118.70 in disbursements and \$13,760.45 in HST for a total amount of \$123,271.75. At Exhibit “C” to the Pasparakis Affidavit are copies of the invoices rendered by NRFC as counsel to the Monitor for such amounts, while Exhibits “A” and “B” to the Pasparakis Affidavit contain a summary of the personnel, hours, and hourly rates charged by NRFC in respect of the CCAA Proceedings during the applicable period.
55. The Monitor’s and NRFC’s fees and disbursements for the period from October 1, 2021 to the completion of the Remaining Matters will be calculated and billed at standard hourly rates currently in effect. Barring any unforeseen matters, the Monitor’s and NRFC’s fees up to the completion of the Remaining Matters are estimated not to exceed \$550,000, plus taxes and disbursements.
56. As indicated in the invoices included in the Fee Affidavits and the description of activities contained in this Forty-Seventh Report and the Prior Reports, the Monitor has played a central role in these proceedings, including in connection with the Plan, distributions to creditors, monetizing remaining assets, the Governance Protocol, the Wage Earner Protection Program, tax matters and leading the claims processes contemplated by the Claims Procedure Orders.
57. The Monitor respectfully submits that the respective fees and disbursements of the Monitor and NRFC, including the estimated fees and disbursements to completion of the proceedings, are reasonable in the circumstances and have been or will be validly incurred in accordance with the provisions of the Orders issued in these CCAA Proceedings. Accordingly, the Monitor respectfully seeks the approval of its fees and disbursements and the fees and disbursements of NRFC.

The Monitor respectfully submits to the Court this, its Forty-Seventh Report.

Dated this 18<sup>th</sup> day of October, 2021.

FTI Consulting Canada Inc.  
in its capacity as Monitor of  
the Sears Canada Entities

A handwritten signature in black ink, appearing to read 'S. Bissell', is written over a faint, light-colored circular stamp or watermark.

Steven Bissell  
Managing Director

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

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., *et al.*

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**FORTY-SEVENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**NORTON ROSE FULBRIGHT CANADA LLP**

222 Bay Street, Suite 3000  
P.O. Box 53  
Toronto, Ontario M5K 1E7 CANADA

**Orestes Pasparakis, LSO#: 36851T**

Tel: +1 416.216.4815

**Evan Cobb, LSO#: 55787N**

Tel: +1 416.216.1929

**Alexander Schmitt, LSO#: 63068F**

Tel: +1 416.216.2419

Fax: +1 416.216.3930

[orestes.pasparakis@nortonrosefulbright.com](mailto:orestes.pasparakis@nortonrosefulbright.com)

[evan.cobb@nortonrosefulbright.com](mailto:evan.cobb@nortonrosefulbright.com)

[alexander.schmitt@nortonrosefulbright.com](mailto:alexander.schmitt@nortonrosefulbright.com)

Lawyers for FTI Consulting Canada Inc., in its capacity as  
Monitor