

CLAIMANT'S GUIDE TO COMPLETING THE PROOF OF CLAIM FORM FOR CLAIMS AGAINST THE SEARS CANADA ENTITIES¹

This Guide has been prepared to assist Claimants in filling out the Proof of Claim form for Claims against the Sears Canada Entities. If you have any additional questions regarding completion of the Proof of Claim form, please consult the Monitor's website at cfcanada.fticonsulting.com/searscanada or contact the Monitor, whose contact information is shown below.

Please note that this is a guide only, and that in the event of any inconsistency between the terms of this guide and the terms of the Claims Procedure Order made on December 8, 2017 (the "**Claims Procedure Order**"), the terms of the Claims Procedure Order will govern. Unless otherwise defined, all capitalized terms used herein have the meanings given to them in the Claims Procedure Order.

A copy of the Claims Procedure Order and additional copies of the Proof of Claim form may be found at the Monitor's website. Claimants can, and are in fact strongly encouraged to, submit their Proof of Claim at the Monitor's website at cfcanada.fticonsulting.com/searscanada.

Note further that certain Claimants are exempted from the requirement to file a Proof of Claim or D&O Proof of Claim, as applicable, at this time including:

- (a) current or former employees of the Sears Canada Entities, whose Claims (of any type) are to be addressed in a future claims process being developed by the Sears Canada Entities and the Monitor, working in conjunction with Employee Representative Counsel, Pension Representative Counsel, the Pension Administrator and the Superintendent;
- (b) holders of Construction Claims, as Construction Contractors (as defined in the Claims Procedure Order) will be contacted by the Monitor in respect of such Construction Claims; and
- (c) holders of any customer warranty provided by a Sears Canada Entity, as the Sears Canada Entities will be deemed to have already filed Proofs of Claim on behalf of each warranty holder for the purposes of this Claims Process.

SECTION 1 – DEBTOR(S)

- 2 The full name of each Sears Canada Entity against which the Claim is asserted must be listed (see footnote 1 for complete list of Sears Canada Entities). If there are insufficient lines to record each such name, attach a separate schedule indicating the required information.

SECTION 2(a) – CLAIMANT

- 1 A separate Proof of Claim must be filed by each legal entity or person asserting a Claim against the Sears Canada Entities, or any of them.
- 2 The Claimant shall include any and all Claims it asserts against the Sears Canada Entities, or any of them, in a single Proof of Claim.

¹ The "**Sears Canada Entities**" are Sears Canada Inc., Corbeil Électrique Inc., S.L.H. Transport Inc., The Cut Inc., Sears Contact Services Inc., Initium Logistics Services Inc., Initium Commerce Labs Inc., Initium Logistics Services Inc., Initium Trading and Sourcing Corp., Sears Floor Covering Centres Inc., 173470 Canada Inc., 2497089 Ontario Inc., 6988741 Canada Inc., 10011711 Canada Inc., 1592580 Ontario Limited, 955041 Alberta Ltd., 4201531 Canada Inc., 168886 Canada Inc., 3339611 Canada Inc., and SearsConnect.

- 3 The full legal name of the Claimant must be provided.
- 4 If the Claimant operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
- 5 If the Claim has been acquired via assignment or other transfer from another party, Section 2(b) must also be completed.
- 6 Unless the Claim is assigned or transferred, all future correspondence, notices, etc. regarding the Claim will be directed to the Claimant at the address indicated in this section.

SECTION 2(b) – PARTICULARS OF ORIGINAL CLAIMANT FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE

- 1 If the Claimant acquired its Claim by assignment or other transfer from an original holder of the Claim, then Section 2(b) must be completed, and all documents evidencing the assignment must be attached.
- 2 The full legal name of the original holder of the Claim must be provided.
- 3 If the original holder of the Claim operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.

SECTION 3 – AMOUNT AND TYPE OF CLAIM

Amount

- 1 If the Claim is a *Pre-Filing Claim* within the meaning of the Claims Procedure Order, then indicate the amount that each appropriate Sears Canada Entity was and still is indebted to the Claimant in the space reserved for Pre-Filing Claims in the “Amount of Claim” column, including interest up to and including June 22, 2017.
- 2 If the Claim is a *Restructuring Period Claim* within the meaning of the Claims Procedure Order, then indicate the Claim amount that each appropriate Sears Canada Entity was and still is indebted to the Claimant in the space reserved for Restructuring Period Claims in the “Amount of Claim” column (which is below the space reserved for Pre-Filing Claims).

For reference, a “**Restructuring Period Claim**” means any right or claim of any Person against any of the Sears Canada Entities, including in connection with any indebtedness, liability, or obligation of any kind whatsoever of any such Sears Canada Entity to such Person arising on or after June 22, 2017, including without limitation rights or claims with respect to the restructuring, disclaimer, resiliation, termination or breach by such Sears Canada Entity on or after June 22, 2017 of any contract, lease or other agreement whether written or oral, but excluding any Post-Filing Claims.

- 3 If the Claim is a *Post-Filing Claim* within the meaning of the Claims Procedure Order, then indicate the Claim amount that each appropriate Sears Canada Entity was and still is indebted to the Claimant in the space reserved for Post-Filing Claims in the “Amount of Claim” column (which is below the space reserved for Restructuring Period Claims).

For reference “**Post-Filing Claim**” means any right or claim of any Sears Supplier against any of the Sears Canada Entities in connection with any non-payment by any such Sears Canada Entity to such Sears Supplier for goods or services supplied to such Sears Canada Entity on or after June 22, 2017.

- 4 If the Claim is a *Landlord Claim* within the meaning of the Claims Procedure Order, then indicate the amount of the Landlord Claim that is a Pre-Filing Claim, Restructuring Period Claim, or Post-Filing Claim, as applicable, in the space reserved for such Claims in the “Amount of Claim” column.
- 5 If there are insufficient lines to record each Claim amount, attach a separate schedule indicating the required information.

Currency

- 1 The amount of the Claim must be provided in the currency in which it arose.
- 2 Indicate the appropriate currency in the “Currency” column.
- 3 If the Claim is denominated in multiple currencies, use a separate line to indicate the Claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.
- 4 If necessary, currency will be converted in accordance with the Claims Procedure Order.

Whether Claim is Secured and Value of Security

- 1 Check the appropriate box if the Claim recorded on that line is a secured claim. If it is, indicate the value which you ascribe to the assets charged by your security in the adjacent column.
- 2 If the Claim is secured, on a separate schedule provide full particulars of the security, including the date on which the security was given, the value which you ascribe to the assets charged by your security and the basis for such valuation and attach a copy of the security documents evidencing the security.

SECTION 4 – SUPPORTING DOCUMENTATION

- 1 Attach to the Proof of Claim form all particulars of the Claim and supporting documentation, including amount, and description of transaction(s) or agreement(s), or legal breach(es) giving rise to the Claim, any claim assignment/transfer agreement or similar document, if applicable, the name of any guarantor(s) which has guaranteed the Claim, the amount of invoices, particulars of all credits, discounts, etc. claimed, as well as a description of the security, if any, granted by the affected Sears Canada Entity to the Claimant and the estimated value of such security.

SECTION 5 – CERTIFICATION

- 1 The person signing the Proof of Claim should:
 - (a) be the Claimant or authorized representative of the Claimant;
 - (b) have knowledge of all the circumstances connected with this Claim;
 - (c) assert the Claim against the Debtor(s) as set out in the Proof of Claim and certify all supporting documentation is attached; and
 - (d) have a witness to its certification.

- 2 By signing and submitting the Proof of Claim, the Claimant is asserting the Claim against each Sears Canada Entity named as a “Debtor” in the Proof of Claim.

SECTION 6 – FILING OF CLAIM

- 1 If your Claim is a Pre-Filing Claim within the meaning of the Claims Procedure Order (excluding, for greater certainty, any Pre-Filing Claim that may be asserted by a Landlord), the Proof of Claim MUST be returned to and received by the Monitor on or before 5:00 p.m. (Toronto time) on March 2, 2018 (the “General Creditor Claims Bar Date”).
- 2 If your Claim is a Restructuring Period Claim within the meaning of the Claims Procedure Order (and see item 2 of Section 3 above for an excerpt of the relevant definition) (and excluding, for greater certainty, any Restructuring Period Claim that may be asserted by a Landlord), the Proof of Claim MUST be returned to and received by the Monitor by 5:00 p.m. (Toronto time) on the date (the “General Creditor Restructuring Period Claims Bar Date”) that is the later of (i) the date that is 45 days after the date on which the Monitor sends a General Creditor Claims Package with respect to a Restructuring Period Claim and (ii) the General Creditor Claims Bar Date.
- 3 If your Claim is a Post-Filing Claim within the meaning of the Claims Procedure Order (and see item 3 of Section 3 above for an excerpt of the relevant definition) (and excluding, for greater certainty, any Post-Filing Claim that may be asserted by a Landlord), the Proof of Claim MUST be returned to and received by the Monitor on or before 5:00 p.m. (Toronto time) on April 2, 2018 (the “General Creditor Post-Filing Claims Bar Date”).
- 4 If your Claim is a Landlord Claim within the meaning of the Claims Procedure Order (including, for greater certainty, any Pre-Filing Claim, Post-Filing Claim or Restructuring Period Claim of a Landlord), the Proof of Claim MUST be returned to and received by the Monitor by 5:00 p.m. (Toronto time) on the date (the “Landlord Claims Bar Date”) that is the later of (i) the date that is 45 days after the date on which the Monitor sends a General Creditor Claims Package with respect to a Landlord Claim and (ii) April 2, 2018.
- 5 Claimants are strongly encouraged to complete and submit their Proof of Claim on the Monitor’s online claims submission portal which can be found at cfcanada.fticonsulting.com/searscanada. If not submitted at the online portal, Proofs of Claim must be delivered to the Monitor by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile transmission or email at the following address:

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

Attention: Sears Canada Claims Process

Fax No.: 416-649-8101

Email: searscanada@fticonsulting.com

Failure to file your Proof of Claim so that it is actually received by the Monitor on or before 5:00 p.m. (Toronto time) on the General Creditor Claims Bar Date, the General Creditor Restructuring Period Claims Bar Date, the General Creditor Post-Filing Claims Bar Date or the Landlord Claims Bar Date, as applicable, WILL result in your Claim being forever barred and you will be prevented from making or

enforcing your Claim against the Sears Canada Entities. In addition, you shall not be entitled to further notice of and shall not be entitled to participate as a creditor in the Sears Canada Entities' CCAA proceedings.