

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) MONDAY, THE 25th
)
JUSTICE HAINEY) DAY OF JANUARY, 2021
)



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SEARS CANADA INC., 9370-2751
QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS
CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES
INC., 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

**ORDER
(STAY EXTENSION, FEE APPROVAL AND UNCLAIMED FUNDS)**

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor (the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order: (i) extending the Stay Period (as defined below) to and including July 31, 2021; (ii) approving the fees and disbursements of the Monitor and its counsel, Norton Rose Fulbright Canada LLP; and (iii) that funds currently held on behalf of Sears Canada Inc. by AST Trust Company (Canada) in the amount of CDN\$3,016,048.02 and US\$107,852.05 (the "**Dividend Funds**") be returned to Sears Canada Inc. and certain other relief, proceeded by way of videoconference due to the COVID-19 crisis.

ON READING the Notice of Motion of the Monitor and the Forty-Third Report of the Monitor dated January 19, 2021 (the "**Forty-Third Report**"), filed, and on hearing the

submissions of counsel for the Monitor and such other counsel as were present, no one else appearing although duly served as evidenced by the Affidavit of Service of Gianni Bianchi sworn January 19, 2021, filed;

SERVICE AND DEFINED TERMS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Forty-Third Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION OF STAY PERIOD

2. **THIS COURT ORDERS** that the Stay Period (as such term is defined in the Amended and Restated Initial Order dated June 22, 2017 made in these proceedings) is hereby extended from January 31, 2021 until and including July 31, 2021.

APPROVAL OF FEES

3. **THIS COURT ORDERS** that (i) the fees and disbursements of the Monitor for the period from April 1, 2019 to and including December 31, 2020 totaling \$2,070,508.26 (including applicable taxes); and (ii) the fees and disbursements of Norton Rose Fulbright Canada LLP, in its capacity as legal counsel to the Monitor for the period March 25, 2019 to and including December 31, 2020 totaling \$1,983,891.11 (including applicable taxes), be and are hereby approved.

RELEASE OF DIVIDEND FUNDS

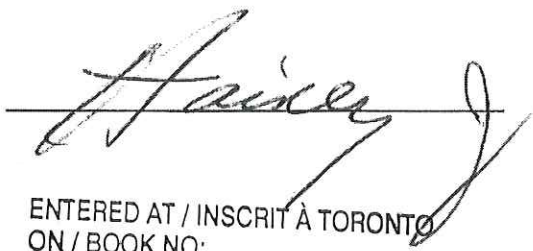
4. **THIS COURT ORDERS AND DECLARES** that no security holder of Sears Canada Inc. has any claim to the Dividend Funds and that the Dividend Funds shall be released to Sears Canada Inc. and shall be included in the Sears Cash Pool (as defined in the Amended and

Restated Joint Plan of Compromise and Arrangement of Sears Canada Inc., among others, dated November 17, 2020).

5. **THIS COURT ORDERS** that AST Trust Company (Canada) (the "**Agent**") is hereby authorized and directed to take all steps necessary to deliver the Dividend Funds to the Monitor, or as the Monitor may direct, on behalf of Sears Canada Inc., and the Agent and the Monitor (and their respective officers, directors and employees) shall not incur any liability or obligation as a result of carrying out the provisions of this Order, save for any gross negligence or wilful misconduct on their part.

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Parties and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Parties and their respective agents as may be necessary or desirable to give effect to this Order or to assist the Parties, and their respective agents, in carrying out the terms of this Order.

7. **THIS COURT ORDERS** that Confidential Appendix "A" to the Forty-Third report of the Monitor shall be and is hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.



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

JAN 25 2021

PER / PAR:



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

ORDER

(Stay Extension, Fee Approval and Unclaimed Funds)

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, P.O. Box 53
Toronto, Ontario M5K 1E7 CANADA

Orestes Pasparakis, LSO#: 36851T

Tel: +1 416.216.4815

Alan Merskey, LSO#: 41377I

Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N

Tel: +1 416.216.1929

Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com

alan.merskey@nortonrosefulbright.com

evan.cobb@nortonrosefulbright.com

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