

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.

NOTICE OF MEETINGS AND SANCTION HEARING

NOTICE IS HEREBY GIVEN that a joint amended and restated plan of compromise and arrangement (as further amended, supplemented, restated or amended and restated from time to time, the "**Plan**") under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") has been filed with the Ontario Superior Court of Justice (Commercial List) in respect of Sears Canada Inc. and certain of its affiliates (collectively, the "**Sears Canada Entities**"). Capitalized terms used and not otherwise defined in this notice are as defined in the Plan. A copy of the Plan, the twenty-ninth report of FTI Consulting Canada Inc., in its capacity as Monitor (the "**Monitor**") in respect of the Plan (the "**Plan Report**"), and the First and Second Supplements to the Plan Report can be found on the website of the Monitor at: <http://cfcanada.fticonsulting.com/searscanada/> (the "**Monitor's Website**").

NOTICE IS ALSO HEREBY GIVEN that Meetings of each of the following Unsecured Creditor Classes of Affected Unsecured Creditors of the Sears Canada Entities will be held at the following date, times and location for the purpose of considering and voting to approve the Plan. **PLEASE NOTE, VOTING IN RESPECT OF THE PLAN WILL BE BY PROXY ONLY.** All proxies must be submitted by the prescribed deadline prior to the date of the Meetings (please see Completion of Proxies below for additional information) and must appoint Mr. Paul Bishop, of FTI Consulting Canada Inc. in its capacity as Monitor, as proxy holder. Creditors will not be able to vote at the Meetings. Creditors may submit questions regarding the Plan to the Monitor by email prior to the Meetings at searscanada@fticonsulting.com.

Unsecured Creditor Class	Meeting Information
SLH Creditor Class: Affected Unsecured Creditors of any SLH Parties ¹	November 16, 2020 at 10:00 a.m. ON24 Virtual Meeting Platform ²
Sears Creditor Class: Affected Unsecured Creditors of any of the Sears Parties ³	November 16, 2020 at 11:00 a.m. ON24 Virtual Meeting Platform ⁴

The Meetings are being held pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) dated February 15, 2019, as amended and restated on October 27, 2020 (the "**Meetings Order**") and the Virtual Meeting Protocol attached as Schedule "**D**" thereto, copies of which are available on the Monitor's Website.

¹ The "**SLH Parties**" are 191020 Canada Inc. (formerly known as SLH Transport Inc.) and 168886 Canada Inc.

² Registration is required to attend the Meeting on the virtual meeting platform. Please refer to the Virtual Meeting Protocol for registration details.

³ The "**Sears Parties**" are Sears Canada Inc., The Cut Inc., Sears Contact Services Inc., Initium Logistics Services Inc., 9845488 Canada Inc. (formerly "Initium Commerce Lab 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., 3339611 Canada Inc. and SearsConnect.

⁴ Registration is required to attend the Meeting on the virtual meeting platform. Please refer to the Virtual Meeting Protocol for registration details.

For information regarding the virtual creditors meetings, and how to register to attend, please visit the Monitor's Website.

The Plan provides for the compromise of the Affected Claims of Affected Unsecured Creditors of any of the SLH Parties or Sears Parties. The quorum for each Meeting will be one Affected Unsecured Creditor holding a Voting Claim present by proxy.

The Plan must receive an affirmative vote of the Required Majority of each Unsecured Creditor Class in order to be approved by the Affected Unsecured Creditors. The Required Majority is, for each Unsecured Creditor Class, a majority in number of Affected Unsecured Creditors representing at least two-thirds in value of the Voting Claims of Affected Unsecured Creditors, in each case, voting at the applicable Meeting. The Plan must also be sanctioned by a final order of the Court (the "**Sanction Order**") pursuant to the CCAA.

NOTICE IS ALSO GIVEN that, if the Plan is approved by the Required Majority of each Unsecured Creditor Class at the Meetings, the Monitor intends to bring a motion before the Court on November 23, 2020 at 12:00 p.m. (Toronto time) (or such other date or time as may be set in accordance with the Meetings Order) seeking the granting of the Sanction Order and for relief ancillary to such sanction. Any person wishing to oppose the motion for the Sanction Order must serve upon the parties on the Service List (as posted on the Monitor's Website) and file with the Court, a copy of the materials to be used to oppose the Sanction Order by no later than 5:00 p.m. (Toronto time) on November 18, 2020.

Completion of Proxies

Any Affected Unsecured Creditor with an Eligible Voting Claim who wishes to vote at a Meeting must complete, sign and return the form of proxy included in its creditor package and deliver its proxy to the Monitor in accordance with the enclosed instructions.

Proxies, once duly completed, dated and signed, must be sent by email to the Monitor, or if it cannot be sent by email, delivered to the Monitor at the address set out on the proxy form. Proxies must be received by the Monitor by no later than 5:00 p.m. (Toronto time) on November 12, 2020.

If you previously submitted a proxy prior to the applicable deadline for the Meetings that were adjourned on March 25, 2019, appointing Mr. Paul Bishop of FTI Consulting Canada Inc., in its capacity as Monitor, as your proxy and you do not wish to revoke such proxy, you do not need to re-submit a proxy.

Creditors represented by Employee Representative Counsel or Pension Representative Counsel

If you are an Employee or Retiree of any of the Sears Canada Entities and have not opted out of such representation, then you are represented by Employee Representative Counsel or Pension Representative Counsel, as applicable, and such representative counsel will be voting on your behalf and will be voting FOR approval of the Plan. Accordingly, you should not submit a separate proxy.

Creditors with Warranty Claims

If you are a Creditor holding a customer warranty pursuant to a valid and unexpired protection agreement issued by Sears Canada, please be advised that any Claim you may have that results from that warranty will be addressed under the terms of the Plan.

This notice is given by the Sears Canada Entities pursuant to the Meetings Order. Copies of the Meeting Materials, including the Plan and the Plan Report, may be obtained from the Monitor's Website (<http://cfcanada.fticonsulting.com/searscanada>), or by emailing the Monitor at searscanada@fticonsulting.com

DATED this 27th day of October, 2020