

**CITATION:** Sears Canada Inc. (Re), 2017 ONSC 6474  
**COURT FILE NO.:** CV-17-11846-00CL  
**DATE:** 20171027

**SUPERIOR COURT OF JUSTICE – ONTARIO**

**(COMMERCIAL LIST)**

**RE:** 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 ÉLECTRIQUE 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.

APPLICANTS

**BEFORE:** HAINEY J.

**COUNSEL:** *Jeremy Dacks*, for the Applicants

*D.J. Miller and Mudasir Marfatia*, for Oxford Properties

*Danish Afroz*, for the Board of Directors and the Special Committee of the Board  
of Directors of Sears Canada Inc.

*J. Dietrich*, for DIP Term Agent and Lenders

*Alan Merskey and Evan Cobb*, for the Monitor, FTI Consulting Canada Inc.

*Jesse Mighton*, for Cadillac Fairview Corporation

*Jules Monteyne* and *Andrew Hatnay*, Representative Counsel for  
Pensioners/Retirees

*Saneliso Moyo*, Employee Representative Counsel

*Elizabeth Rathbone*, for Superintendent of Financial Services

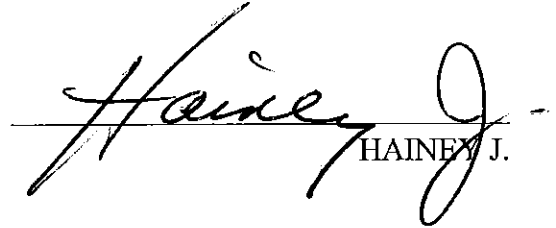
*David Ullmann*, for Bentall Kennedy and Primaris Management Inc.

*Linda Galessiere*, for Ivanhoe, Morguard, Triovest, 20 VIC, Crombie, Cominar

**HEARD:** October 27, 2017

**ENDORSEMENT**

[1] The parties have consented to the attached endorsement.



HAINEX J.

**Date:** October 27, 2017

1. THIS COURT ORDERS that the Sale Process as defined in the Order of this Court dated July 13, 2017 (the "SISP Approval Order") is amended such that with respect to real property store leases not otherwise included in a transaction previously approved by the Court (a "Lease") the Applicants shall comply with the following terms:
  - a. Select a Successful Bid(s) with respect to a Lease and completion of definitive documentation related thereto (the "Lease Agreement"), by no later than November 30, 2017;
  - b. Advise the relevant Landlord that its Lease(s) is/are the subject of a Lease Agreement and the identity of the parties to such Lease Agreement immediately upon execution of a Lease Agreement (and no later than November 30, 2017);
  - c. Obtain any necessary Approval and Vesting Order(s) and close the transaction in respect of such Lease Agreement(s) by no later than December 29, 2017;
  - d. For any Lease that is not subject to a Lease Agreement (the "Remaining Leases"), advise the Landlord(s) that its Lease(s) is a Remaining Lease by no later than December 1, 2017; and
  - e. Disclaim, in accordance with the CCAA, any Remaining Leases and any Leases which were the subject matter of a Lease Agreement which did not close by December 29, 2017. Such disclaimers may be served by the Applicants to accord with the timing of the liquidation sale referenced in the Liquidation Sale Approval Order (Phase II Liquidation) dated October 13, 2017, however in no event shall disclaimers be served with effective dates later than February 6, 2018.
2. THIS COURT ORDERS that the terms and timelines listed in paragraph 1 above, may only be amended with the consent of the Applicants, the Monitor, the DIP Lenders and the relevant Landlord (with respect to such Lease).
3. THIS COURT ORDERS that nothing in this order is intended to amend, limit, reduce or alter in any way the consultation or consent rights of the DIP Lenders as set out in the Definitive Documents or the Sale Process provided however that the obligation of the Applicants to disclaim Leases as set out in paragraph 1 above shall be effective irrespective of such consultation or consent rights of the DIP Lenders.
4. THIS COURT ORDERS that subject to the provisions of this Order, the SISP Approval Order remains in full force and effect.

*Harry J*

*October 27, 2017*