

**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., CORBEIL
ELECTRIQUE 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 LINTIED, 955041 ALBERTA LTD., 4201531 CANADA
INC., 168886 CANADA INC. and 3339611 CANADA INC.**

TO ALL CANADIAN SEARS HOMETOWN STORE DEALERS

This notice is related to the filing by Sears Canada Inc. ("**Sears Canada**") and related parties pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

You are receiving this notice because Sears Canada has advised that you carried on business as a Hometown Dealer at any time after July 5, 2011. This notice is being sent to all such Hometown Dealers (the "**Class**").

The presiding judge over the CCAA procedure has ordered that Sotos LLP and Blaney McMurtry LLP (collectively, "**Representative Counsel**") are appointed as representative counsel to represent the interests of the Class with respect to advancing a claim on behalf of the Class pursuant to the Claims Procedure Order dated December 8, 2017 in the CCAA filing (the "**Purpose**").

Sotos LLP is already class counsel in a certified class action against Sears Canada brought by 1291079 Ontario Limited, formerly a Hometown Dealer in Woodstock, Ontario (the "**Class Action**"). The Class Action is on behalf of all Hometown Dealers operating from July 5, 2011 to March 17, 2015 (the "**Class Action Class**"). The Class Action has been stayed as a result of Sears Canada's CCAA filing.

You are automatically included in the Class and will be represented by Representative Counsel. No steps are necessary to "join" the Class. If you do not wish to be represented by Representative

Counsel in connection with the Purpose, subject to your ability to be removed from the Class Action Class, you must provide written notice to the Monitor, FTI Consulting, that you are opting out of representation by Representative Counsel for the Purpose prior to March 2, 2018. Subject to your ability to be removed from the Class Action Class, you will then represent yourself for the Purpose, including in connection with filing an individual Proof of Claim in the Claims Procedure Order.

Further information on the Class Action, the CCAA filing as it relates to the Class, and a copy of the court order authorizing this notice can be found on Sotos LLP's website at: <https://www.sotosllp.com/class-actions/current-cases/sears>. Please also register at this website to receive updates on the proceeding.

Further information on the CCAA filing, including the Claims Procedure Order and the Monitor's contact information, can be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/searscanada/>.