

UNITED STATES BANKRUPTCY COURT, SOUTHERN DISTRICT OF NEW YORK

In re

**SEARS HOLDINGS CORPORATION, et al.,

Debtors.**

**Chapter 11 Case No.: 18-23538 (RDD)
(Jointly Administered)**

NOTICE OF DEADLINE FOR FILING PROOFS OF CLAIM

Chapter 11 bankruptcy cases concerning the debtors listed below were filed on October 15, 2018. You may be a creditor of one of the debtors. On February 22, 2019, the United States Bankruptcy Court for the Southern District of New York (the “**Court**”), having jurisdiction over the chapter 11 cases of Sears Holdings Corporation and certain of its affiliates as debtors and debtors in possession (collectively, the “**Debtors**”), entered an order (the “**Bar Date Order**”) establishing (1) **April 10, 2019 at 5:00 p.m. (Eastern Time)** as the last date and time for each person and entity (including individuals, partnerships, corporations, joint ventures, and trusts, but not governmental units (as defined in section 101(27) of title 11 of the United States Code (the “**Bankruptcy Code**”), “**Governmental Units**”)) to file a proof of claim (each, “**Proof of Claim**”) in respect of a prepetition claim (as defined in section 101(5) of the Bankruptcy Code), including, for the avoidance of doubt, secured claims, priority claims, and claims arising under section 503(b)(9) of the Bankruptcy Code, against any of the Debtors listed below (the “**General Bar Date**”), and (2) **September 3, 2019 at 5:00 p.m. (Eastern Time)** as the last date and time for each Governmental Unit to file a Proof of Claim in respect of a prepetition claim against any of the Debtors listed below (the “**Governmental Bar Date**,” and, together with the General Bar Date, the “**Bar Dates**”).

The Bar Date Order, the Bar Dates, and the procedures set forth below for the filing of Proofs of Claim apply to all claims against the Debtors (other than those set forth below as being specifically excluded) that arose prior to **October 15, 2018**, the date on which the Debtors commenced their cases under chapter 11 of the Bankruptcy Code.

If you have any questions relating to this Notice, please feel free to contact the Debtors’ Court-approved claims agent Prime Clerk LLC (“Prime Clerk”) at (844) 384-4460 (toll free) or by e-mail at searsinfo@primeclerk.com.

YOU SHOULD CONSULT AN ATTORNEY IF YOU HAVE ANY QUESTIONS, INCLUDING WHETHER YOU SHOULD FILE A PROOF OF CLAIM.

NOTE: The staff of the Office of the Clerk of the Bankruptcy Court, the Office of the United States Trustee, and Prime Clerk cannot give legal advice.

<u>Name of Debtor</u>	<u>Case Number</u>	<u>Tax Identification Number</u>
Sears Holdings Corporation	18-23538 (RDD)	20-1920798
Kmart Holding Corporation	18-23539 (RDD)	32-0073116
Kmart Operations LLC	18-23540 (RDD)	32-0456546
Sears Operations LLC	18-23541 (RDD)	35-2524331
Sears, Roebuck and Co.	18-23537 (RDD)	36-1750680
ServiceLive, Inc.	18-23542 (RDD)	36-4616774
SHC Licensed Business LLC	18-23616 (RDD)	37-1783718
A&E Factory Service, LLC	18-23543 (RDD)	36-4486695
A&E Home Delivery, LLC	18-23544 (RDD)	37-1500205
A&E Lawn & Garden, LLC	18-23545 (RDD)	13-4275028

A&E Signature Service, LLC	18-23546 (RDD)	37-1500204
FBA Holdings Inc.	18-23547 (RDD)	36-4186537
Innovel Solutions, Inc.	18-23548 (RDD)	36-1857180
Kmart Corporation	18-23549 (RDD)	38-0729500
MaxServ, Inc.	18-23550 (RDD)	74-2707626
Private Brands, Ltd.	18-23551 (RDD)	55-0544022
Sears Development Co.	18-23552 (RDD)	36-2476028
Sears Holdings Management Corporation	18-23554 (RDD)	20-3592148
Sears Home & Business Franchises, Inc.	18-23553 (RDD)	98-0126742
Sears Home Improvement Products, Inc.	18-23556 (RDD)	25-1698591
Sears Insurance Services, L.L.C.	18-23557 (RDD)	36-4287182
Sears Procurement Services, Inc.	18-23555 (RDD)	30-0092859
Sears Protection Company	18-23558 (RDD)	36-4471250
Sears Protection Company (PR), Inc.	18-23559 (RDD)	66-0704861
Sears Roebuck Acceptance Corp.	18-23560 (RDD)	51-0080535
Sears, Roebuck de Puerto Rico, Inc.	18-23561 (RDD)	66-0233626
SYW Relay LLC	18-23562 (RDD)	35-2561870
Wally Labs LLC	18-23563 (RDD)	None
SHC Promotions LLC	18-23630 (RDD)	26-4209626
Big Beaver of Florida Development, LLC	18-23564 (RDD)	None
California Builder Appliances, Inc.	18-23565 (RDD)	68-0406327
Florida Builder Appliances, Inc.	18-23566 (RDD)	36-3619133
KBL Holding Inc.	18-23567 (RDD)	26-0031295
KLC, Inc.	18-23568 (RDD)	75-2490839
Kmart of Michigan, Inc.	18-23576 (RDD)	38-3551696
Kmart of Washington LLC	18-23570 (RDD)	61-1448898
Kmart Stores of Illinois LLC	18-23571 (RDD)	61-1448897
Kmart Stores of Texas LLC	18-23572 (RDD)	61-1448915
MyGofer LLC	18-23573 (RDD)	26-4005531
Sears Brands Business Unit Corporation	18-23574 (RDD)	42-1564658
Sears Holdings Publishing Company, LLC	18-23575 (RDD)	26-0075554
Sears Protection Company (Florida), L.L.C.	18-23569 (RDD)	20-0224239
SHC Desert Springs, LLC	18-23577 (RDD)	None
SOE, Inc.	18-23578 (RDD)	83-0399616

StarWest, LLC	18-23579 (RDD)	37-1495379
STI Merchandising, Inc.	18-23580 (RDD)	38-2760188
Troy Coolidge No. 13, LLC	18-23581 (RDD)	None
BlueLight.com, Inc.	18-23582 (RDD)	77-0527034
Sears Brands, L.L.C.	18-23583 (RDD)	42-1564664
Sears Buying Services, Inc.	18-23584 (RDD)	36-3256533
Kmart.com LLC	18-23585 (RDD)	77-0529022
Sears Brands Management Corporation	18-23586 (RDD)	36-2555365
SRe Holding Corporation	19-22031 (RDD)	46-4344816
<u>Attorneys for Debtors</u> Weil, Gotshal & Manges LLP 767 Fifth Avenue New York, New York 10153-0119 Ray C. Schrock, P.C. Jacqueline Marcus Garrett A. Fail Sunny Singh	<u>Address of the Office of the Clerk of the Bankruptcy Court</u> Clerk of the United States Bankruptcy Court 300 Quarropas Street White Plains, New York 10601 Vito Genna, Clerk of the Bankruptcy Court Hours Open: 8:30 a.m. – 5:00 p.m.	

1. **WHO MUST FILE A PROOF OF CLAIM**

You **MUST** file a **Proof of Claim** to vote on a chapter 11 plan filed by the Debtors or to share in any distributions from the Debtors’ estates if you have a claim that arose prior to **October 15, 2018**, and your claim is not one of the types of claims described in Section 2 below. Claims based on acts or omissions of the Debtors that occurred before **October 15, 2018**, must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated, or certain or did not mature or become fixed, liquidated, or certain before **October 15, 2018**.

Pursuant to section 101(5) of the Bankruptcy Code and as used in this Notice, the word “**claim**” means: (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured. Further, claims include unsecured claims, secured claims, and priority claims.

2. **WHO NEED NOT FILE A PROOF OF CLAIM**

You need not file a Proof of Claim if:

Your claim is listed in the debtors’ schedules of assets and liabilities (the “**Schedules**”)¹ and (i) is **not** listed in the Schedules as “disputed,” “contingent,” or “unliquidated”; (ii) you do **not** dispute the amount, nature, and priority of the claim as set forth in the Schedules; and (iii) you do **not** dispute that the claim is an obligation of the specific Debtor against which the claim is listed in the Schedules;

¹ The Debtors filed their Schedules on January 17, 2019 (ECF Nos. 1609, 1611, 1613, 1615, 1617, 1619, 1621, 1623, 1625, 1627, 1629, 1631, 1633, 1635, 1637, 1639, 1641, 1643, 1645, 1647, 1649, 1651, 1653, 1655, 1657, 1659, 1661, 1663, 1665, 1667, 1668, 1671, 1673, 1675, 1677, 1679, 1681, 1683, 1685, 1687, 1689, 1691, 1693, 1695, 1697, 1699, 1701, 1703, 1705, 1707, 1709, 1711, 1713).

Your claim has been paid in full or will be paid in full under an agreement entered into by the Debtors pursuant to the Final Critical Vendors Order;²

Your claim consists of an equity security interest in the Debtors, which interest exclusively is based upon the ownership of common or preferred stock; membership interests; partnership interests; or warrants, options, or rights to purchase, sell, or subscribe to such a security or interest; provided that if you hold such security interest and wish to assert a claim (as opposed to an ownership interest) against the Debtors (including a claim relating to an equity interest or the purchase or sale of such equity interest), a Proof of Claim must be filed on or before the applicable Bar Date as set forth in this Notice;

You hold a claim that is allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an administrative expense (**other than** a claim under section 503(b)(9) of the Bankruptcy Code);

You hold a claim that heretofore has been allowed by an order of the Court or subsequently is allowed by an order of the Court entered on or before the applicable Bar Date;

You hold a claim for which a separate deadline has been fixed by the Court;

You hold a claim for which you already filed a Proof of Claim with the Office of the Clerk of the Bankruptcy Court or Prime Clerk against any of the Debtors, utilizing a claim form that substantially conforms to the form provided with this Notice (the “**Proof of Claim Form**”) or Official Bankruptcy Form 410 (“**Official Form 410**”), so long as you do not wish to assert such claim against a Debtor who was not named in the original Proof of Claim, in which case another Proof of Claim must be filed;

You are a person or entity whose claim arises out of any warranties, protection agreements, or other services contracts for the goods and services of the Debtors sold or performed prior to the Commencement Date.

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**First Lien Credit Agreement Obligations**”) under or in connection with that certain Third Amended and Restated Credit Agreement, dated as of July 21, 2015 (as thereafter amended, supplemented, or modified from time to time, the “**First Lien Credit Agreement**”); provided that any person or entity wishing to assert a claim arising out of or relating to the First Lien Credit Agreement, other than a claim for the First Lien Credit Agreement Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies;

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**Stand-Alone L/C Obligations**”) under or in connection with that certain Letter of Credit and Reimbursement Agreement, dated as of December 28, 2016 (as thereafter amended, supplemented, or modified from time to time, the “**Stand-Alone L/C Facility**”); provided that any person or entity wishing to assert a claim arising out of or relating to the Stand-Alone L/C Facility, other than a claim for the Stand-Alone L/C Obligations, shall be required to file a Proof of Claim with respect to

² See Order Granting Motion (I) Authorizing Debtors to Pay Certain Prepetition Obligations to Critical Vendors, (II) Approving Procedures to Address Vendors who Repudiate and Refuse to Honor Their Contractual Obligations to The Debtors; and (III) Granting Related Relief (ECF No. 793) (the “**Final Critical Vendors Order**”).

such claim on or before the applicable Bar Date, unless another exception identified herein applies;

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**Second Lien Credit Facility Obligations**”) under or in connection with that certain Second Lien Credit Agreement, dated as of September 1, 2016 (as thereafter amended, supplemented, or modified from time to time, the “**Second Lien Credit Facility**”); provided that any person or entity wishing to assert a claim arising out of or relating to the Second Lien Credit Agreement, other than a claim for the Second Lien Credit Agreement Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies;

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**Second Lien Notes Obligations**”) under or in connection with that certain Indenture for 6 5/8% Senior Secured Notes due 2018, dated October 12, 2010 (as thereafter amended, supplemented, or modified from time to time, the “**Second Lien Notes**”); provided that any person or entity wishing to assert a claim arising out of or relating to the Second Lien Notes Indenture, other than a claim for the Second Lien Notes Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies;

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**Holdings Unsecured Notes Obligations**”) under or in connection with that certain Indenture for 8% Senior Unsecured Notes due 2019, dated November 21, 2014 (as thereafter amended, supplemented, or modified from time to time, the “**Holdings Unsecured Notes**”); provided that any person or entity wishing to assert a claim arising out of or relating to the Holdings Unsecured Notes, other than a claim for the Holdings Unsecured Notes Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies;

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**Holdings Unsecured PIK Notes Obligations**”) under or in connection with that certain Second Supplemental Indenture for 8% Senior Unsecured Convertible PIK Notes due 2019, dated as of March 20, 2018 (as thereafter amended, supplemented, or modified from time to time, the “**Holdings Unsecured PIK Notes**”); provided that any person or entity wishing to assert a claim arising out of or relating to the Holdings Unsecured PIK Notes, other than a claim for the Holdings Unsecured PIK Notes Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies; or

You are a person or entity whose claim exclusively is limited to the repayment of principal, interest, and other fees and expenses (the “**SRAC Unsecured Notes Obligations**”) under or in connection with that certain Indenture for 7%/12% PIK-Toggle Notes due 2028, dated as of May 15, 1995 (as thereafter amended, supplemented, or modified from time to time, the “**SRAC Unsecured PIK Notes**”), or that certain Indenture for certain notes having various interest rates, dated October 1, 2002 (as thereafter amended, supplemented, or modified from time to time, the “**SRAC Unsecured Notes**”); provided that any person or entity wishing to assert a claim arising out of or relating to the SRAC Unsecured PIK Notes or the SRAC Unsecured Notes, other than a claim for the SRAC

Unsecured Notes Obligations, shall be required to file a Proof of Claim with respect to such claim on or before the applicable Bar Date, unless another exception identified herein applies.

YOU SHOULD NOT FILE A PROOF OF CLAIM IF YOU DO NOT HAVE A CLAIM AGAINST THE DEBTORS.

THE FACT THAT YOU HAVE RECEIVED THIS NOTICE DOES NOT MEAN THAT YOU HAVE A CLAIM OR THAT THE DEBTORS OR THE COURT BELIEVE THAT YOU HAVE A CLAIM.

3. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

If you hold a claim arising from the rejection of an executory contract or unexpired lease, you must file a Proof of Claim based on such rejection by the later of (i) the applicable Bar Date and (ii) the date that is **thirty (30) days** following the date of entry of the Court order approving the rejection of such executory contract or unexpired lease, or you will be forever barred from so doing. Notwithstanding the foregoing, if you are a party to an executory contract or unexpired lease and you wish to assert a claim with respect to unpaid amounts accrued and outstanding as of **October 15, 2018**, pursuant to such executory contract or unexpired lease (other than a rejection damages claim), you must file a Proof of Claim for such amounts on or before the applicable Bar Date unless another exception identified herein applies.

4. WHEN AND WHERE TO FILE

Except as provided for herein, all Proofs of Claim either must be filed (i) electronically through Prime Clerk's website using the interface available on such website located at https://restructuring.primeclerk.com/sears_____ under the link entitled "Submit a Claim" (the "**Electronic Filing System**") or (ii) by delivering the original Proof of Claim form by hand or mailing the original Proof of Claim form on or before the applicable Bar Date as follows:

If by first-class mail:

Sears Holdings Corporation Claims Processing Center
c/o Prime Clerk LLC
Grand Central Station, PO Box 4708
New York, NY 10163-4708

OR

If by overnight courier or hand delivery:

Sears Holdings Corporation Claims Processing Center
c/o Prime Clerk LLC
850 3rd Avenue, Suite 412
Brooklyn, NY 11232

OR

If by hand delivery:

United States Bankruptcy Court, Southern District of New York
300 Quarropas Street
White Plains, NY 10601

Proofs of Claim will be deemed timely filed only if **actually received** by Prime Clerk or the Court as set forth in Section 4 above, in each case, on or before the applicable Bar Date. Proofs of Claim sent by facsimile, telecopy, or

electronic mail transmission (other than Proofs of Claim filed electronically through the Electronic Filing System) **will not** be accepted.

5. WHAT TO FILE

If you file a Proof of Claim, your filed Proof of Claim must: (i) be written in the English language; (ii) be denominated in the lawful currency of the United States (using the exchange rate, if applicable, as of the date of the commencement of the chapter 11 case by the applicable Debtor); (iii) substantially conform to the Proof of Claim Form or Official Form 410; (iv) specify by name and case number the Debtor against which the Proof of Claim is filed; (v) set forth with specificity the legal and factual basis for the alleged claim; (vi) include supporting documentation for the claim or an explanation as to why such documentation is not available; and (vii) be **signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant under penalty of perjury.

IF YOU ARE ASSERTING A CLAIM AGAINST MORE THAN ONE DEBTOR, YOU MUST FILE SEPARATE PROOFS OF CLAIM AGAINST EACH DEBTOR, AND YOU MUST IDENTIFY ON YOUR PROOF OF CLAIM THE SPECIFIC DEBTOR AGAINST WHICH YOU ARE ASSERTING A CLAIM AND THE CASE NUMBER OF THAT DEBTOR'S BANKRUPTCY CASE. A LIST OF THE NAMES OF THE DEBTORS AND THEIR RESPECTIVE CASE NUMBERS IS SET FORTH ABOVE.

Your Proof of Claim form must **not** contain complete social security numbers or taxpayer identification numbers (only include the last four digits), complete birth dates (only include the year), the names of minors (only include the minor's initials), or financial account numbers (only include the last four digits of such financial account).

Official Form 410 can be found at http://www.uscourts.gov/sites/default/files/form_b_410_16.pdf. Additional Proof of Claim Forms can be obtained at <https://restructuring.primeclerk.com/sears/EPOC-Index>.

YOU SHOULD ATTACH TO YOUR COMPLETED PROOF OF CLAIM FORM COPIES OF ANY DOCUMENTS UPON WHICH YOUR CLAIM IS BASED. IF THE DOCUMENTS ARE VOLUMINOUS, YOU SHOULD ATTACH A SUMMARY.

6. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE

ANY HOLDER OF A CLAIM THAT IS NOT EXCEPTED FROM THE REQUIREMENTS OF THE BAR DATE ORDER, AS SET FORTH IN SECTION 2 ABOVE, AND THAT FAILS TO TIMELY FILE A PROOF OF CLAIM IN THE APPROPRIATE FORM WILL BE FOREVER BARRED FROM ASSERTING SUCH CLAIM AGAINST THE DEBTORS AND THEIR CHAPTER 11 ESTATES, FROM VOTING ON ANY PLAN OF REORGANIZATION FILED IN THESE CHAPTER 11 CASES, AND FROM PARTICIPATING IN ANY DISTRIBUTION IN THE DEBTORS' CASES ON ACCOUNT OF SUCH CLAIM.

7. THE DEBTORS' SCHEDULES, ACCESS THERETO, AND CONSEQUENCES OF AMENDMENT THEREOF

You may be listed as the holder of a claim against the Debtors in the Schedules. To determine if and how you are listed in the Schedules, please refer to the descriptions set forth on the enclosed Proof of Claim Form regarding the nature, amount, and status of your claim(s). If you received postpetition payments from the Debtors (as authorized by the Court) on account of your claim, the enclosed Proof of Claim Form will reflect the net amount of your claims. If the Debtors believe that you hold claims against more than one Debtor, you will receive multiple Proof of Claim Forms; each Proof of Claim Form will reflect the nature and amount of your claim against each Debtor as listed in the Schedules.

As set forth above, if you agree with the nature, amount, and status of your claim as listed in the Debtors' Schedules and if your claim is not listed in the Schedules as "disputed," "contingent," or "unliquidated," you need not file a Proof of Claim. Otherwise, or if you decide to file a Proof of Claim, you must do so before the applicable Bar Date in accordance with the procedures set forth in this Notice.

Copies of the Schedules may be examined by interested parties on the Court's electronic docket for the Debtors' chapter 11 cases, which is posted (i) on the website established by Prime Clerk for the Debtors' cases at <https://restructuring.primeclerk.com/sears> and (ii) on the Court's website at <http://www.nysb.uscourts.gov>. (A username and password to the Court's Public Access to Court Electronic Records ("PACER") system are required to access the information on the Court's website and can be obtained through PACER at <https://pacer.psc.uscourts.gov/pscwf/regWizard.jsf>). Copies of the Schedules also may be examined between the hours of 8:30 a.m. and 5:00 p.m. (Eastern Time), Monday through Friday, at the Office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the Southern District of New York, 300 Quarropas Street, White Plains, NY 10601. Copies of the Debtors' Schedules also may be obtained by request to Prime Clerk at the address and telephone number set forth below:

Sears Holdings Corporation Claims Processing Center

c/o Prime Clerk LLC
Grand Central Station, PO Box 4708
New York, NY 10163-4708
US Toll Free: (844) 384-4460
International: +1 (929) 955-2419

In the event that the Debtors amend or supplement their Schedules subsequent to the date of entry of the Bar Date Order, the Debtors shall give notice of any such amendment or supplement to the holders of claims affected thereby, such holders shall have until the later of (i) the applicable Bar Date and (ii) **thirty (30) days** from the date of such notice to file a Proof of Claim or be forever barred from so doing, and the Debtors shall give notice of such deadline to the holders of claims affected by such amendment or supplement.

A holder of a possible claim against the Debtors should consult an attorney if such holder has any questions regarding this Notice, including whether the holder should file a Proof of Claim.

Dated: White Plains, New York
February 22, 2019

BY ORDER OF THE COURT

WEIL, GOTSHAL & MANGES LLP
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New York, New York 10153
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Attorneys for Debtors
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