

Sears Holdings Corporation FAQs

1. I received the *Notice of Deadline for Filing Proofs of Claim*, what does this mean?

You have received this notice because you have been identified as a potential creditor based on a current or prior relationship to the Debtors. The Court has established what is known as the General Bar Date as April 10, 2019 at 5:00 p.m. (ET), which is the deadline by which claims must be filed for amounts owed as of the Commencement Date. If you believe you are owed amounts for goods sold or services rendered prior to the Commencement Date, then you may need to file a claim by the General Bar Date. If you do not believe anything is owed, no action is required.

2. When was the Commencement Date?

The Commencement Date is the date a company filed for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York. Sears Holdings Corporation and certain of its subsidiaries (including Sears, Roebuck and Co. and Kmart Corporation) filed their voluntary petitions on **October 15, 2018**. SHC Licensed Business LLC filed their voluntary petition on October 18, 2018, SHC Promotions LLC filed their voluntary petition on October 22, 2018 and SRe Holding Corporation filed their voluntary petition on January 07, 2019. A list of all filing debtors and their respective Commencement Dates are available on our website. Please click on the link for “Debtors” and then expand the list by clicking on the (+) sign in order to review the full list here: <https://restructuring.primeclerk.com/sears>

3. What is a Debtor? Who is the Creditor?

A Debtor is the party who owes amounts, i.e. the party that filed for bankruptcy.

A Creditor is a party who is owed amounts by a Debtor.

4. What deadlines have been set?

The General Bar Date for each person and entity (including individuals, partnerships, corporations, joint ventures, and trusts, but not governmental units) for amounts owed prior to the Commencement Date is **April 10, 2019 at 5:00 pm (Eastern Time)**.

The Governmental Bar Date for amounts owed prior to the Commencement Date is **September 3, 2019 at 5:00 p.m. (Eastern Time)**

5. Why did I receive this Notice? Did I receive this Notice because I am in bankruptcy?

You are receiving the Notice because Sears Holdings Corporation and its affiliated Debtor affiliates have filed petitions for relief under the bankruptcy code. In connection with the Court setting the General Bar Date, the Company is required to send legal notices to a wide range of interested parties to notify them of this deadline and the process for filing Proof of Claim forms. The Notice is informational, and you need only take action if you believe you are owed money from one of the Debtors. If you believe you are owed money for a claim that arose prior to the

Commencement Date, you may need to file a proof of claim. If you determine you need to file a proof of claim, it must be received on or prior to **April 10, 2019 at 5:00 pm (Eastern Time)**. **Information and instructions related to filing a claim can be found at Prime Clerk's website at restructuring.primeclerk.com/sears/EPOC-Index.**

The fact that you received a Notice does not mean that the company or the bankruptcy court believe that you are owed money from one of the Debtors. If you are not owed any money, you need not take any action.

6. What is a schedule amount?

Schedules of Assets and Liabilities ("schedules") are filed by each debtor and reflect the amounts each debtor believes they may owe creditors as of the Commencement Date. A copy of the filed schedules is available for review on the court docket. The "scheduled" designation indicates that the amount listed was included on the schedules that were filed with the Bankruptcy Court and does not indicate that a payment is approved to be made on a set date. If you disagree with the amount, classification or designation of the scheduled claim, you MUST file a claim on or prior to April 10, 2019 at 5:00 p.m. (ET). Your claim will supersede the scheduled claim.

7. How do I know if I have a claim on the schedules, and if so, how is it scheduled?

You may search our Claims register located here
<https://restructuring.primeclerk.com/sears/Home-ClaimInfo>

Filter for Schedules Only or Claims & Schedules and perform a search of any and all known names with which you have conducted business with any of the Debtors.

8. I filed a claim that does not agree with the schedule amount? What happens now?

Your filed claim and any supporting documentation supersedes the scheduled claim. The Debtors will review filed claims and may object to the claim on various grounds, including a discrepancy between the amount you claim and the amount they believe they owe. If there is an objection to your claim, you will be notified at the address listed on the proof of claim you file with information about how to respond to the objection.

9. I received a Notice that says I owe Sears money. What am I paying them for?

The fact that you have received a claim form with what may be termed a scheduled claim does not mean that you owe a debt to Sears but rather that Sears Holdings or the listed Debtor entity believes they owe you the stated amount. Please check your records to determine if anything is owed to you. If you disagree with the amount, classification or designation of the Scheduled claim, you MUST file a claim on or prior to April 10, 2019 at 5:00 p.m. (ET) . Your claim will supersede the scheduled claim.

10. How do I know against which Debtor I should file a claim?

Please consult any documents or contracts relating to your working relationship with the Debtors to determine the party who owes you the debt. If you are still unable to ascertain this information, you may consult with your legal or financial advisor.

Prime Clerk is not permitted to provide legal advice including advising you on whether you have a claim or which Debtor to select concerning your claim.

11. If I have a claim against multiple Debtors do I need to file separate claims for each?

You must submit a separate claim form for each Debtor you wish to assert a claim against.

12. How do I file a claim? Where do I send it?

You may submit your claim via **ONE** of the following methods:

- i. By submitting your claim by the E-POC platform on the Prime Clerk website here:
<https://restructuring.primeclerk.com/sears/EPOC-Index>
- ii. 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
- iii. If by hand delivery, or overnight courier:
Sears Holdings Corporation Claims Processing Center
c/o Prime Clerk LLC
850 3rd Avenue, Suite 412
Brooklyn, NY 11232

13. If I file a claim online, do I also need to mail in a copy of my form?

You are only required to submit your claim by one of the methods listed in Item 8. Each claim we receive will be processed separately, and therefore, if you submit the same claim electronically and via mail, you will have two claims.

14. Do I need an EPOC-ID to file a claim?

No. You do not need your EPOC-ID to file a claim. To the extent you were provided an EPOC ID, it should be utilized so your filed claim will supersede the scheduled claim.

15. I already filed a claim in these proceedings, do I need to refile?

You only need to re-file your claim in the following circumstances:

- i. Your previously submitted claim did not encompass the totality of your pre-petition claim
- ii. You wish to add supporting documentation in support of your claim
- iii. You have a claim you wish to assert against a different Debtor entity

16. How do I know if my claims is secured or priority?

- i. A secured claim is a claim backed by a lien on particular property of the debtor. A claim is secured to the extent that a creditor has the right to be paid from the property before other creditors are paid.
- ii. A priority claim a claim within a category of unsecured claims that is entitled to priority under 11 U.S.C. §507(a).

You may also view some common examples on the attached instructions to the Proof of Claim form. If you need further assistance, please contact your Legal or Financial Adviser.

17. I have a warranty, protection agreement, or service contract with Sears. Do I need to file a claim?

Customers do not need to file a claim that 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.

18. I am an employee. Do I need to submit a claim to keep my health insurance?

Current employees do not need to file a Proof of Claim for any wages, salaries, or health and other benefits received in the ordinary course of business.

19. What about my 401(k)?

401(k) accounts are separate from the company's finances and are not affected by the restructuring process. In connection with the Court setting the General Bar Date, the Company is required to send legal notices to a wide range of interested parties to notify them of this deadline and the process for filing Proof of Claim forms. These include current and former employees, as well as others who have interacted with the Company over the past few years.

20. What happens to my pension?

On February 11, 2019, the Pension Benefit Guaranty Corporation took responsibility as trustee for Sears Holdings Corporation's two defined benefit pension plans. Together the two plans cover about 90,000 workers and retirees of Sears, Roebuck and Co. and Kmart Corporation. PBGC will notify plan participants and beneficiaries and provide information about their plan and about PBGC. If you are already receiving a pension, your payments will continue without interruption in the annuity form you chose at retirement. More information is available at <https://www.pbgc.gov/Questions-and-Answers-for-Sears-Participants>

21. I worked for Sears some time ago, but don't anymore. Do I have to file a claim?

If you do not believe you have a claim against the Company, you do not need to do anything in response to your receipt of the Proof of Claim form or Bar Date Notice. If you believe, however,

that you are owed money and have a claim that arose before the Commencement Date, including any unpaid severance, you should consider filing a Proof of Claim.

22. I own Sears stock. Do I need to file a claim?

Pursuant to the Bar Date Notice, you are not required to file a claim, if your claim is solely based on the ownership of stock in Debtors.

You should review the Bar Date Notice in its entirety, and if you are unclear as to whether you should file a claim, you should consult with your own legal counsel or financial advisor.

23. I am a bondholder. Do I need to file a claim?

Pursuant to the Bar Date Notice, you are not required to file a claim if your claim is claim exclusively limited to the repayment of principal, interest, and other fees and expenses for either the 6 5/8% Senior Secured Notes due 2018, 8% Senior Unsecured Notes due 2019, 8% Senior Unsecured Notes due 2019, or 7%/12% PIK-Toggle Notes due 2028.

You should review the Bar Date Notice in its entirety, and if you are unclear as to whether you should file a claim, you should consult with your own legal counsel or financial advisor.

24. I received a Notice that says I owe Sears money. What am I paying them for?

The fact that you have received a claim form with what may be termed a scheduled claim does not mean that you owe a debt to Sears but rather that Sears Holdings or the listed Debtor entity believes they owe you the stated amount. Please check your records to determine if anything is owed to you. If you disagree with the amount, classification or designation of the Scheduled claim, you MUST file a claim on or prior to April 10, 2019 at 5:00 p.m. (ET) . Your claim will supersede the scheduled claim.

25. I have a Sears credit card. Do I need to continue making payments?

You must continue to pay any outstanding obligations to the Debtors. Please consult with your credit card servicing agent by dialing the number on the back of your card if you have any questions. or the bank from whom you received the loan.

26. I am paying off a Sears loan for a previous purchase. Do I need to continue making payments?

You must continue to pay any outstanding obligations to the Debtors. Please consult with the bank from whom you received the loan if you have any questions.

27. Where can I find more information regarding these proceedings?

More information on the case can be found on the Prime Clerk website here:
<https://restructuring.primeclerk.com/sears>

Additionally, the court case docket is available free of charge here:

<https://restructuring.primeclerk.com/sears/Home-DocketInfo>

28. When will I get paid?

Payments can only be made with the permission of the court. Unless other permission is obtained from the court, payments will be made pursuant a confirmed Chapter 11 Plan after such Plan becomes effective. The Chapter 11 Plan outlines the treatment of various classes of claims and equity interests. Information will be available on <https://restructuring.primeclerk.com/sears> when a Chapter 11 plan is proposed, and with information about the process for approval. All parties who file a claim will receive notice of the hearing to approve the Disclosure Statement for the Chapter 11 Plan, and notice for the hearing to confirm the Chapter 11 Plan.