

Cash Dividend

October 30, 2012

Exchange/Memo ID: 202881

ONN / OCC ID: 31467



SEARS HOLDINGS CORPORATION, INC. - DISTRIBUTION* * * UPDATE * * *

Ex - Distribution Date: 10/30/2012

DESCRIPTION:

IMPORTANT NOTE: OCC has been informed that NASDAQ has changed the ex-distribution date for the Sears distribution to October 31, 2012. However, the record date for the distribution remains November 1, 2012. Accordingly, the contract adjustment described below will be processed to be effective on October 30, 2012 to ensure entitlement to the distribution via strike price reduction for those options which may be exercised on October 30, 2012 and thereafter.

Sears Holdings Corporation (SHLD) has announced a distribution of Sears Canada Inc. (TSX: SCC) Common Shares. The distribution ratio is 0.428302714508407 of a share of SCC for each SHLD Common Share held. The record date is November 1, 2012; the pay date is November 13, 2012. The Nasdaq Stock Exchange (NASDAQ) has set October 30, 2012, as the ex-distribution date for this distribution.

NOTE: Sears Canada Inc. (SCC) is not listed for trading on a U.S exchange. The Securities Committee has determined that the U.S. Dollar cash value equivalent for the distributed SCC shares will be used. **The cash value equivalent has been determined to be \$4.58 per SHLD shares and SHLD strike prices will be reduced by that amount.** The cash value is based on the SCC price of 10.70 on the Toronto Stock Exchange on October 29, 2012, converted into U.S. Dollars (10.70CAD x .9991 exchange rate x .428302714508407 distribution rate).

EXERCISE CONSIDERATIONS: ANY SHLD CALL OPTION HOLDERS WHO WISH TO ENSURE ENTITLEMENT TO SCC SHARES, RATHER THAN THE CASH VALUE EQUIVALENT, MUST EXERCISE

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date:	10/30/2012
Option Symbol:	SHLD remains SHLD
Underlying Security:	SHLD remains SHLD
Contract Multiplier:	1
Strike Divisor:	1
New Multiplier:	100
Strike Prices:	Reduced by \$4.58
New Deliverable/Contract:	100 Sears Holdings Corporation (SHLD) Common Shares

GTC Order Cancellation:

On Tuesday, October 30, 2012, immediately after the BOX close, all resting orders for SHLD in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the new SHLD series, the BOX Participant will need to reenter the orders before the open on Wednesday, October 31, 2012.

