

SEARS HOLDINGS CORP
Form SC 13D/A
January 11, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 51) *

Sears Holdings Corporation

(Name of Issuer)

Common Shares

(Title of Class of Securities)

812350106

(CUSIP Number)

Janice V. Sharry, Esq.

Haynes and Boone, LLP

2323 Victory Avenue, Suite 700

Dallas, Texas 75219

(214) 651-5000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

January 10, 2017

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 812350106

1. Names of Reporting Persons.

ESL Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

25,000,979 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

25,000,979 (1)

With

10. Shared Dispositive Power

37,572,920 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

62,573,899 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

55.9% (3)

14. Type of Reporting Person (See Instructions)

PN

- (1) Includes 4,808,465 shares of Holdings Common Stock that may be acquired by the reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (2) Includes 6,328,687 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (3) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and 4,808,465 shares of Holdings Common Stock that may be acquired by the reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock.

CUSIP No. 812350106

1. Names of Reporting Persons.

SPE I Partners, LP

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

150,124

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

150,124

With

10. Shared Dispositive Power

0

11. Aggregate Amount Beneficially Owned by Each Reporting Person

150,124

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

0.1% (1)

14. Type of Reporting Person (See Instructions)

PN

(1) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016.

CUSIP No. 812350106

1. Names of Reporting Persons.

SPE Master I, LP

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

193,341

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

193,341

With

10. Shared Dispositive Power

0

11. Aggregate Amount Beneficially Owned by Each Reporting Person

193,341

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

0.2% (1)

14. Type of Reporting Person (See Instructions)

PN

(1) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016.

CUSIP No. 812350106

1. Names of Reporting Persons.

RBS Partners, L.P.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

25,344,444 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

25,344,444 (1)

With

10. Shared Dispositive Power

37,572,920 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

62,917,364 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

56.3% (3)

14. Type of Reporting Person (See Instructions)

PN

- (1) Includes 4,808,465 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (2) Includes 6,328,687 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (3) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and 4,808,465 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock.

CUSIP No. 812350106

1. Names of Reporting Persons.

ESL Investments, Inc.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

Delaware

7. Sole Voting Power

Number of

Shares

25,344,444 (1)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

25,344,444 (1)

With

10. Shared Dispositive Power

37,572,920 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

62,917,364 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

56.3% (3)

14. Type of Reporting Person (See Instructions)

CO

- (1) Includes 4,808,465 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (2) Includes 6,328,687 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (3) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and 4,808,465 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock.

CUSIP No. 812350106

1. Names of Reporting Persons.

Edward S. Lampert

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) (b)

3. SEC Use Only

4. Source of Funds (See Instructions)

OO; PF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

6. Citizenship or Place of Organization

United States

7. Sole Voting Power

Number of

Shares

62,917,364 (1)(2)

Beneficially

8. Shared Voting Power

Owned by

Each

0

9. Sole Dispositive Power

Reporting

Person

25,344,444 (1)

With

10. Shared Dispositive Power

37,572,920 (2)

11. Aggregate Amount Beneficially Owned by Each Reporting Person

62,917,364 (1)(2)

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)

53.2% (3)

14. Type of Reporting Person (See Instructions)

IN

- (1) Includes 4,808,465 shares of Holdings Common Stock that may be acquired by a reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (2) Includes 6,328,687 shares of Holdings Common Stock that may be acquired by the reporting person within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock from Holdings.
- (3) Based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and an aggregate of 11,137,152 shares of Holdings Common Stock that may be acquired by certain of the reporting persons within 60 days upon the exercise of Warrants to purchase shares of Holdings Common Stock.

This Amendment No. 51 to Schedule 13D (this Amendment) relates to common shares, par value \$0.01 per share (the Holdings Common Stock), of Sears Holdings Corporation, a Delaware corporation (Holdings). This Amendment amends the Schedule 13D, as previously amended, filed with the Securities and Exchange Commission by ESL Partners, L.P., a Delaware limited partnership (Partners), SPE I Partners, LP, a Delaware limited partnership (SPE I), SPE Master I, LP, a Delaware limited partnership (SPE Master I), RBS Partners, L.P., a Delaware limited partnership (RBS), ESL Investments, Inc., a Delaware corporation (ESL), and Edward S. Lampert, a United States citizen, by furnishing the information set forth below. Except as otherwise specified in this Amendment, all previous Items are unchanged. Capitalized terms used herein which are not defined herein have the meanings given to them in the Schedule 13D, as previously amended, filed with the Securities and Exchange Commission (SEC).

The Reporting Persons are filing this Amendment to report a distribution by Partners of Holdings Common Stock on a *pro rata* basis to certain partners that elected in 2016 to redeem all or a portion of their interest in Partners.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated in its entirety as follows:

(a)-(b) Each Reporting Person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, the beneficial owner of any securities covered by this statement.

Each Reporting Person may be deemed to be a member of a group with respect to Holdings or securities of Holdings for the purposes of Section 13(d) or 13(g) of the Act. Each Reporting Person declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act) with any other person as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of Holdings or otherwise with respect to Holdings or any securities of Holdings or (ii) a member of any syndicate or group with respect to Holdings or any securities of Holdings.

As of January 11, 2017, the Reporting Persons may be deemed to beneficially own the shares of Holdings Common Stock set forth in the table below.

| REPORTING PERSON | NUMBER OF SHARES OF BENEFICIALLY OWNED | | PERCENTAGE OF OUTSTANDING SHARES | | SHARED SOLE VOTING POWER | | SHARED DISPOSITIVE POWER | | |
|-----------------------|--|--------|----------------------------------|-----|--------------------------|--------|--------------------------|----------------|----------------|
| | SHARES | (1) | PERCENTAGE | (2) | POWER | POWER | POWER | | |
| ESL Partners, L.P. | 62,573,899 | (1)(2) | 55.9% | (3) | 25,000,979 | (2) | 0 | 25,000,979 (2) | 37,572,920 (1) |
| SPE I Partners, LP | 150,124 | | 0.1% | | 150,124 | | 0 | 150,124 | 0 |
| SPE Master I, LP | 193,341 | | 0.2% | | 193,341 | | 0 | 193,341 | 0 |
| RBS Partners, L.P. | 62,917,364 | (1)(4) | 56.3% | (5) | 25,344,444 | (4) | 0 | 25,344,444 (4) | 37,572,920 (1) |
| ESL Investments, Inc. | 62,917,364 | (1)(6) | 56.3% | (7) | 25,344,444 | (6) | 0 | 25,344,444 (6) | 37,572,920 (1) |
| Edward S. Lampert | 62,917,364 | (1)(8) | 53.2% | (9) | 62,917,364 | (1)(8) | 0 | 25,344,444 (8) | 37,572,920 (1) |

(1) This number includes 31,244,233 shares of Holdings Common Stock held by Mr. Lampert and 6,328,687 shares of Holdings Common Stock that Mr. Lampert has the right to acquire within 60 days pursuant to the Warrants held by Mr. Lampert. Partners has entered into a Lock-Up Agreement with Mr. Lampert that restricts the

purchase and sale of securities owned by Mr. Lampert. Pursuant to the Lock-Up Agreement, Partners may be deemed to have shared dispositive power over, and to indirectly beneficially own, securities owned by Mr. Lampert. RBS, ESL and Mr. Lampert may also be deemed to have shared dispositive power over, and to indirectly beneficially own, such securities.

- (2) This number includes 20,192,514 shares of Holdings Common Stock held by Partners and 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners.
- (3) This is based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners.
- (4) This number includes 20,192,514 shares of Holdings Common Stock held by Partners, 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners, 150,124 shares of Holdings Common Stock held by SPE I and 193,341 shares of Holdings Common Stock held by SPE Master I. RBS is the general partner of, and may be deemed to indirectly beneficially own securities owned by, Partners, SPE I and SPE Master I.
- (5) This is based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners. RBS is the general partner of, and may be deemed to indirectly beneficially own securities owned by, Partners.
- (6) This number includes 20,192,514 shares of Holdings Common Stock held by Partners, 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners, 150,124 shares of Holdings Common Stock held by SPE I and 193,341 shares of Holdings Common Stock held by SPE Master I. ESL is the general partner of, and may be deemed to indirectly beneficially own securities owned by, RBS.
- (7) This is based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, and the 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners. ESL is the general partner of, and may be deemed to indirectly beneficially own securities owned by, RBS.
- (8) This number includes 20,192,514 shares of Holdings Common Stock held by Partners, 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners, 150,124 shares of Holdings Common Stock held by SPE I and 193,341 shares of Holdings Common Stock held by SPE Master I. Mr. Lampert is the Chairman, Chief Executive Officer and Director of, and may be deemed to indirectly beneficially own securities owned by, ESL.
- (9) This is based upon 107,033,252 shares of Holdings Common Stock outstanding as of December 5, 2016, as disclosed in Holdings Quarterly Report on Form 10-Q for the quarter ended October 29, 2016, that was filed by Holdings with the SEC on December 8, 2016, the 6,328,687 shares of Holdings Common Stock that Mr. Lampert has the right to acquire within 60 days pursuant to the Warrants held by Mr. Lampert and the 4,808,465 shares of Holdings Common Stock that Partners has the right to acquire within 60 days pursuant to the Warrants held by Partners. Mr. Lampert is the Chairman, Chief Executive Officer and Director of, and may be deemed to indirectly beneficially own securities owned by, ESL.
- (c) Other than as set forth on Annex B hereto, there have been no transactions in the class of securities reported on that were effected by the Reporting Persons during the past sixty days or since the most recent filing of Schedule 13D, whichever is less.
- (d) Not applicable.
- (e) Not applicable.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: January 11, 2017

ESL PARTNERS, L.P.

By: RBS Partners, L.P., as its general partner

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

SPE I PARTNERS, LP

By: RBS Partners, L.P., as its general partner

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

SPE MASTER I, LP

By: RBS Partners, L.P., as its general partner

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

RBS PARTNERS, L.P.

By: ESL Investments, Inc., as its general partner

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

ESL INVESTMENTS, INC.

By: /s/ Edward S. Lampert

Name: Edward S. Lampert

Title: Chief Executive Officer

EDWARD S. LAMPERT

By: /s/ Edward S. Lampert

ANNEX B

**RECENT TRANSACTIONS BY THE REPORTING PERSONS IN THE SECURITIES OF
SEARS HOLDINGS CORPORATION**

| Entity | Date of Transaction | Description of Transaction | Shares Acquired | Shares Disposed | Price Per Share |
|--------------------|----------------------------|--|------------------------|------------------------|------------------------|
| ESL Partners, L.P. | 01/10/2017 | Pro Rata Distribution of Shares to Redeeming Partners | | 1,800,126 | \$ 0 |
| RBS Partners, L.P. | 01/10/2017 | Acquisition of Shares from ESL Partners, L.P. as a result of a Pro Rata Distribution to Redeeming Partners | 2,268 | | \$ 0 |
| RBS Partners, L.P. | 01/10/2017 | Pro Rata Distribution of Shares to Redeeming Partners | | 2,268 | \$ 0 |