

Seritage Growth Properties
Code of Business Conduct and Ethics

Adopted June 9, 2015

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I. Introduction

Seritage Growth Properties (together with its subsidiaries and affiliates, the “**Company**”) values honesty, integrity and adherence to the highest ethical standards. As employees, each of us has a responsibility for upholding these values and maintaining a commitment to basic principles of business ethics and good judgment. As part of this commitment, the Company has instituted a series of policies and procedures to reaffirm its dedication to the highest ethical standards.

Attached is the Seritage Growth Properties Code of Business Conduct and Ethics (this “**Code**”). This Code embodies our values and sets forth the principles to guide our behavior. It is important for each of us to fully understand these principles and to commit ourselves to them in all our business activities. It is up to each of us to ensure that all of our business relationships are conducted with integrity and honesty and reflect both the letter and spirit of this Code. A good starting point is to act with integrity in everything you do and to never engage in behavior that would undermine the reputation of the Company, your peers or yourself.

This Code reflects our values and defines the common-sense behaviors required of all of us to ensure that the Company maintains legal and ethical business practices.

We believe abiding by this Code will make the Company a better, more profitable company.

Benjamin Schall
Chief Executive Officer and President

II. Persons Affected

This policy applies to all officers and employees (collectively, “**employees**”) and the trustees, of the Company and its subsidiaries and controlled affiliates.

Wherever we do business, we are required to comply with all applicable laws, rules and regulations. We are also responsible for complying with requirements of contracts that we have entered into with other parties. The standards in this Code must, of course, be interpreted in light of the law and practices of the areas where we operate, as well as good common sense. Any suspected or actual violation of any applicable law, rule or regulation or of our contractual undertakings should be reported immediately to the employee’s immediate supervisor or the General Counsel. If you are not comfortable reporting to your immediate supervisor or the General Counsel, you should report the situation to the confidential hotline, as described under the heading “Assistance.”

III. Conflicts of Interest

A conflict of interest occurs whenever your private interests interfere with the interests of the Company as a whole. In order for the Company to carry out its business effectively, it must be assured of the loyalty of each of its trustees and employees. Trustees and employees must refrain from entering into relationships that might impair their judgment as to what is best for the Company. Even relationships that give the appearance of a conflict of interest should be avoided. You cannot avoid these standards by acting through someone else, such as a friend or

family member. For purposes of this Code, “**family members**” include spouses, children, stepchildren, parents, stepparents, siblings, in-laws and any person (other than a tenant or employee) living in the same household.

Policies about the most common types of conflicts of interest are described below. If you believe it is not possible to avoid a conflict of interest, you must bring this to the attention of, your immediate supervisor, who should in appropriate circumstances bring it to the attention of the General Counsel.

A) Outside Interests and Loans

Employees may not serve as a director, trustee, officer, owner or partner of, or receive compensation from, any competitor, customer, tenant, vendor, contractor or supplier of the Company, although employees may have ownership interests of ten percent (10%) or less in large companies. Employees may not have other employment or significant business interests, or participate in charitable, civic, religious, public, political or social organizations, where such activities (i) would conflict with the interests of the Company, (ii) materially encroach on the time or attention that should be devoted to an employee’s duties or adversely affect the quality of work performed, (iii) imply the Company’s sponsorship or support of the outside employment or organization (except for organizations in which the Company is a member) or (iv) adversely affect the good name of the Company.

A trustee should not vote on or otherwise participate in any transaction in which he or she also has a personal interest or in which there is, or would appear to be, a conflict by reason of his or her connection as an employee, trustee or otherwise with another business organization.

Trustees and employees and their family members should not accept loans from, or have their obligations guaranteed by, our tenants, customers, vendors, contractors, suppliers or partners. Home, auto and other loans to you from banks or other lending institutions who may be our tenants or provide loans to the Company are not subject to this restriction. Company loans to its trustees and executive officers are prohibited by law and this Code.

B) Using the Company’s Time and Assets for Personal Benefit

You should not solicit or perform non-Company work on the Company’s premises or while working on the Company’s time. Company assets should be used for the legitimate business purposes of the Company, although incidental personal use is permitted.

C) Acceptance of Gifts and Entertainment

No trustee or employee should accept payments, fees, services, discounts, valuable privileges or other favors where these would appear to improperly influence the individual in the performance of duties for the Company; and no trustee or employee should provide or give gifts or favors to others where these would appear designed to improperly influence others in their relations with the Company. Cash, checks, stocks or other marketable securities in any amount must not be accepted or given under any circumstances. Employees should not solicit gifts, gratuities or business courtesies for the benefit of themselves or any family member or friend.

This Code is not intended to preclude the acceptance or the giving of common courtesies usually associated with acceptable business practices, including accepting or giving gifts of modest value which are of a nature as to indicate they are merely tokens of respect or friendship and are in a form that will not be construed as a bribe, payoff or secret compensation. Business-related entertainment may be accepted or given, provided it is reasonable under the circumstances in which it takes place.

D) Political Activities and Public Service

No trustee or employee should make, authorize or permit any unlawful contributions, expenditure or use of the Company's funds or property for political purposes.

We encourage our employees to be active in the political and civic life of their communities, including charitable or educational activities, where those activities are consistent with the criteria described in this Code. When doing so and making any public communication, you should clarify that your views are yours individually and are not being expressed as an employee of the Company. You may not engage in any type of solicitation or distribution activities not relating to the business of the Company on Company premises without the approval of your immediate supervisor. However, this does not prohibit you from soliciting the Company to make a charitable donation to your organization.

E) Company Opportunities

Employees should not appropriate to themselves, or to any other person or organization, the benefit of any business venture, opportunity or potential opportunity that they learn about in the course of their employment and that is in the Company's line of business without first obtaining the Chief Executive Officer's consent or, in the case of the Chief Executive Officer, without first obtaining the consent of either the Audit Committee or the Nominating and Corporate Governance Committee.

F) Related Person Transactions

Related person transactions are prohibited under this Code, unless approved or ratified by the Audit Committee of the Board of Trustees. A **"related person transaction"** is a transaction, arrangement or relationship in which the Company (including its subsidiaries) was, is or will be a participant, and in which any related person had, has or will have a direct or indirect interest and the aggregate amount involved is expected to exceed \$120,000 (provided, that any transaction involving another company with which the related party's only relationship is as an employee (other than an executive officer), director and/or beneficial owner of less than a ten percent (10%) equity interest of that company's stock, or as a limited partner in a partnership in which the related party has an interest of less than ten percent (10%) (and is not a general partner of and does not hold another position in the partnership), shall not be a related person transaction). A **"related person"** includes:

- any person who is, or at any time since the beginning of the Company's last fiscal year was, a trustee or executive officer of the Company or a nominee to become a trustee of the Company;

- any person who is known to be the beneficial owner of more than 5% of any class of the Company's voting securities; and
- any family member of any of the foregoing persons.

The facts and circumstances of the proposed related person transaction must be reported to the Company's General Counsel. The General Counsel will assess whether the proposed transaction is a related person transaction and, if so, the proposed related person transaction will be submitted to the Audit Committee for consideration. In determining whether to approve or ratify the related person transaction, the Audit Committee will consider, among other things, whether the transaction in question is in, or is not inconsistent with, the best interests of the Company and, where applicable, the terms of such transaction are at least as favorable to the Company as could be obtained from an unrelated third party.

IV. Electronic Media & Software

Personal use by trustees and employees of Company communication systems and networks is permitted if (i) such use is reasonable, (ii) the Company does not incur significant additional cost in connection with such use, (iii) the use is not related to any illegal activity and (iv) the use does not interfere with the conduct of the Company's business or your assigned duties or the assigned duties of another employee. Computers and computer networks provided by the Company to employees should not be used to knowingly, recklessly, or maliciously post, store, transmit, view, download or distribute any abusive, libelous, defamatory, obscene or pornographic materials of any kind constituting a criminal offense, giving rise to civil liability or otherwise violating any laws or Company policy.

The Company respects the right of employees, on their own time and on their own personal computer, to use personal websites and social media as a forum of self-expression. However, if you choose to identify yourself as a Company employee on your website or blog, (i) make it clear that the views expressed in the website or blog are yours alone and do not necessarily represent the views of the Company, (ii) observe the Company's "Confidential and Proprietary Information" policy at all times, (iii) ask your immediate supervisor if you have any questions about what is appropriate to include, or what should be excluded, (iv) be respectful to the Company, fellow employees, customers, partners and competitors, and (v) exercise good judgment and do not express yourself in a manner that could cast the Company in a negative light.

V. Shareholder & Media Relations

To assure consistency and accuracy in these communications and to prevent the inadvertent disclosure of confidential information, you should not make statements to shareholders or the media. When approached for information, you should refer the person to the Company's Chief Financial Officer or General Counsel.

VI. Securities Laws and Insider Trading

In the course of your duties or service to the Company, you may be exposed to information about the Company or other companies that is not available to the general public. The use of such nonpublic or “inside” information for securities-trading purposes is strictly forbidden, whether by you or any of your family members or any other person to whom you may have communicated the information. Such use of “inside” information is illegal and could expose you to civil and criminal penalties.

U.S. law prohibits anyone who possesses material, nonpublic information about a company to trade in its stock or other securities. U.S. law also prohibits anyone who possesses material, nonpublic information from using it to tip anyone else who might trade on it. “Material” information is usually defined as any information that might influence a reasonable investor to buy, sell or hold stock. Common examples include financial results, financial forecasts, possible mergers, acquisitions or divestitures, significant product developments, and major changes in business direction.

Violation of the securities laws may result in civil and criminal penalties, including fines or jail sentences. If you are uncertain about the laws governing purchases and sales of securities that you wish to make, you should consult the General Counsel before trading. Furthermore, you must abide by any “blackout” policy adopted by the Company.

VII. Confidential and Proprietary Information

Information is a valuable company asset. You have a duty to safeguard the Company’s confidential and proprietary information and information that others have entrusted to us. Generally speaking, confidential and proprietary information is information that has not been disclosed to the general public or that gives our business an advantage or could expose us to harm or liability if released prematurely or inappropriately. Common examples include trademarks and trade secrets, as well as financial information, information regarding the strategy of the Company or its affiliates, and information about relationships with our lessees and others. If you are unsure about whether information should be treated as confidential or proprietary, you should consult with your immediate supervisor or the General Counsel.

You should remain conscious at all times of your duty to protect the Company’s confidential and proprietary information. For example, confidential and proprietary information should never be discussed in public places such as elevators, airplanes, or restaurants. In no event should confidential or proprietary information be disclosed to third parties without the prior approval of the General Counsel, unless disclosure is otherwise legally required.

Additionally, you may be given permission by the Company or Sears Holdings Corporation or its subsidiaries and affiliates (together, “**SHC**”) to access SHC’s information systems for the purpose of retrieving and viewing information relating to the Company. With respect to this access, you may not retrieve or view, or seek to retrieve or view, material nonpublic information or other confidential or proprietary information concerning SHC or its businesses, customers, employees, vendors or others (together “**SHC Confidential Information**”). You must protect

and keep confidential all SHC Confidential Information and may not disclose SHC Confidential Information to anyone.

Upon leaving the Company, employees must return all copies of confidential information in their possession. The duty to preserve the Company's confidential and proprietary information is not limited to your period of employment, but continues even after you have left the Company.

VIII. Fair Dealing

Each trustee and employee should endeavor to deal fairly with the Company's vendors, suppliers, competitors and employees, while advancing the interests of the Company. Doing business in an honest and fair manner with our vendors and suppliers means that employees responsible for buying or leasing materials and services on behalf of the Company must do so objectively. Competitive bidding policies must be followed. We choose to deal with our vendors and suppliers on the basis of the price, quality and desirability of their goods and services. You should not make false or misleading statements about our competitors, their products, or their services, nor should you knowingly use any illegal or unethical methods to gather competitive information.

The Company recognizes that its employees are its most valuable resource. The Company values the contributions that each of its employees makes and is committed to treating every employee with respect. This includes preserving the confidentiality of employee records, refraining from unwarranted intrusions into employees' privacy, and supporting each employee's aspirations in the workplace.

IX. Avoidance of Unlawful Restraints of Competition

In the U.S. and most other countries, there are laws that govern the ways in which the Company may compete. The purpose of these laws (sometimes known as "competition" or "antitrust" laws) is to prevent interference with a competitive market system. Under these laws, companies or individuals may not enter into formal or informal agreements with other companies or individuals or engage in certain other activities that unreasonably restrict competition.

X. Protection and Proper Use of Company Assets

The Company's success requires a commitment on the part of all of its employees to the proper allocation and use of its assets, tangible and intangible. For these purposes, the Company's assets include equipment, supplies, real estate, tools, inventory, computer systems and equipment, computer software, computer data, vehicles, records or reports, nonpublic information, intellectual property or other sensitive information or materials, and telephone, voice-mail, or e-mail communications, as well as Company funds in any form. We have a duty to protect the Company's assets from loss, damage, misuse, theft or sabotage. We must also ensure the efficient use of the Company's assets. While the Company's communications systems and networks are provided for the conduct of its business, personal use of telephones, facsimile machines, voice-mail, e-mail and internet systems is permitted as long as the use complies with guidelines described in this Code.

XI. Accurate Books and Records

The Company has adopted a system of internal disclosure controls and procedures to assure that all important information regarding the business and prospects of the Company is brought to the attention of our Chief Executive Officer and Chief Financial Officer. The Company's internal controls are essential to the integrity of the Company's financial records and financial statements. The accuracy and timeliness of compliance are necessary to enable our executive officers to provide the financial statements and periodic report certifications required by federal law. Employees should promptly report (anonymously, confidentially or otherwise) any actual or suspected breaches or violations of the Company's internal controls or any concerns or complaints regarding questionable accounting or auditing in accordance with the Company's Whistleblower Policy or anonymously through the Governance Hotline at 844-525-1314 . Potential fraudulent transactions include, without limitation, embezzlement, forgery or alteration of checks and other documents, theft, misappropriation or conversion to personal use of Company assets, and falsification of records. Employees must be candid in discussing matters concerning internal controls and business disclosures with the Company's trustees, management, internal and outside auditors, and inside and outside counsel.

XII. Discrimination, Harassment and Equal Opportunity

The Company is committed to providing a work environment that is free from any form of discrimination or harassment on the basis of race, ethnicity, gender, creed, religion, age, disability, sexual orientation or any other status protected by law. It is our policy to provide equal opportunity to all employees with regard to hiring, pay rates, training and development, promotions and other terms of employment. Employment decisions will comply with all applicable employment laws.

XIII. Health and Safety

The Company strives to provide its employees with a safe and healthy work environment. We are responsible for helping to achieve this goal by following safety and health rules. You should learn and abide by any safety procedures applicable to your job.

XIV. Payments to Government Officials

Practices that are considered acceptable in the commercial business environment, such as providing meals, transportation, entertainment or other things of value, may violate certain local, state, federal or foreign laws when we are dealing with government officials. You must not give anything of value to government officials if this could be interpreted as an attempt to curry favor on behalf of the Company. Consult the General Counsel if there is any uncertainty about permitted interactions with government officials.

The U.S. Foreign Corrupt Practices Act ("FCPA") generally prohibits giving money or anything of value to foreign government officials, foreign political parties or candidates for foreign political office for the purpose of influencing a foreign government. This includes making any payments through intermediaries, such as sales representatives or consultants. Before making any payment or giving anything of value to a foreign official, employees should consult with the

General Counsel. Violations of the FCPA can result in significant civil and criminal penalties for both the Company and the individuals involved.

Commercial bribery of any nature is illegal under U.S. law. You are strictly prohibited from offering any form of bribe, kickback or inducement to any person.

XV. Whistleblower Policy

No trustee, employee, contractor, subcontractor or agent of the Company may discharge, demote, suspend, threaten, harass or in any manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee to disclose information about fraudulent activity within the Company or because of an employee's cooperation with fraud-related investigations or legal proceedings conducted by the Company, a law-enforcement agency or any person with supervisory authority over the employee or with the authority to investigate misconduct within the Company.

XVI. Charitable Contributions

We realize that there are many worthy organizations to which financial and nonfinancial contributions can be made by the Company. You are encouraged to support your community and charitable organizations as individuals in order to improve their communities. If you would like to request that the Company make a contribution to a charitable organization, please consult with the General Counsel.

XVII. Waivers of the Code of Business Conduct and Ethics

Any request for a waiver of any standard in this Code may be granted only by an employee's immediate supervisor and only after advance notice to, and consultation with, the General Counsel, or, in those instances required by this Code, the Chief Executive Officer. Waivers involving any of the Company's executive officers or trustees may be made only by the Audit Committee of the Board of Trustees and must be disclosed to the Company's shareholders.

XVIII. Government Investigations

The Company will cooperate fully with any governmental investigation. If you reasonably believe that a governmental investigation or inquiry may be threatened or under consideration with respect to any of the Company's operations or practices (including any outside your scope of responsibilities), you should notify the General Counsel.

The Company may not always be able to protect both its own interests and those of an employee, without giving rise to a conflict of interest. In that case, you may need your own legal counsel.

XIX. Audits; Investigations; Disciplinary Action

The Company may conduct periodic audits of compliance with this Code. Allegations of potential wrongdoing will be investigated by the proper company or departmental personnel and, upon the advice of the General Counsel, will be reported to the Board of Trustees (or its

appropriate committee) and to the relevant authorities. Knowingly false accusations of misconduct may be subject to disciplinary action. All employees are required to cooperate fully with any internal or external investigation of alleged violations of this Code. You must also maintain the confidentiality of any investigation and related documentation, unless specifically authorized by the General Counsel to disclose such information.

Appropriate disciplinary actions for violations of this Code may include counseling, reprimands, warnings, suspensions with or without pay, demotions, salary reductions, dismissals and restitution. Any person who takes any action in retaliation against an employee who has in good faith raised any question or concern about compliance with this Code will be subject to disciplinary action, which may include dismissal for cause. The Company's document-retention policies prohibit the destruction or alteration of documentation undertaken in contemplation of, or with the intent to obstruct any pending or threatened, investigation or proceeding.

XX. Assistance

The General Counsel is responsible for interpreting and making enforcement decisions regarding this Code. Employees who have questions about this Code should turn to their immediate supervisors in the first instance and your immediate supervisor should consult with the General Counsel, if necessary, in order to answer your questions. The Company has also established the Governance Hotline. If, for any reason, you do not feel comfortable speaking with your supervisor and would prefer to remain anonymous, you may call 844-525-1314 24 hours a day, seven days a week. In addition, employees may confidentially and anonymously submit any concerns regarding questionable accounting or auditing matters to a member of the Audit Committee of the Company's Board of Trustees. These concerns may be communicated through the Governance Hotline or the Company's General Counsel.

Inquiries received through the Governance Hotline or the Company's General Counsel will be directed to the appropriate Company representative for review, investigation, and resolution.

Acknowledgement

I have received and read the Code of Business Conduct and Ethics of Seritage Growth Properties. I agree to comply fully with the standards contained in that Code, and I understand I have an obligation to report to my immediate supervisor or the General Counsel of the Company any suspected violation of this Code.

Signature: _____

Name: _____

(Please print)

Date: _____