ESL INVESTORS LLC
Form 4
January 20, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
ESL INVESTMENTS INC

(Last) (First) (Middle)

200 GREENWICH AVENUE

(Street)

GREENWICH, CT 06830

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SEARS HOLDINGS CORP [SHLD]

3. Date of Earliest Transaction (Month/Day/Year)
01/18/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director
_____ Officer (give title below)
__X__ 10% Owner
_____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
_X_ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value $0.01 per share	01/18/2006		J(1)		406,573	A	(1)	48,063,611	I	See footnote (2) (7)
Common Stock, par value $0.01 per share	01/18/2006		J(1)		127,276	A	(1)	16,947,163	I	See footnote (3) (7)
Common Stock, par value $0.01 per share								338,239	I	See footnote (4) (7)

Common Stock, par value $0.01 per share	747	I	See footnote (5) (7)
Common Stock, par value $0.01 per share	15,999	I	See footnote (6) (7)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ESL INVESTMENTS INC 200 GREENWICH AVENUE GREENWICH, CT 06830		X		
LAMPERT EDWARD S 200 GREENWICH AVENUE GREENWICH, CT 06830	X	X		
CRK PARTNERS LLC 200 GREENWICH AVE GREENWICH, CT 06830		X		
		X		

ESL INVESTORS LLC 200 GREENWICH AVE GREENWICH, CT 06830	
ESL INSTITUTIONAL PARTNERS LP 200 GREENWICH AVE GREENWICH, CT 06830	X
ESL INVESTMENT MANAGEMENT LLC 200 GREENWICH AVE GREENWICH, CT 06830	X
RBS PARTNERS L P /CT ONE LAFAYETTE PLACE GREENWICH, CT 06830	X
RBS INVESTMENT MANAGEMENT LLC 200 GREENWICH AVE GREENWICH, CT 06830	X
ESL PARTNERS LP ONE LAFAYETTE PLAC GREENWICH, CT 06830	X

Signatures

/s/ Robert Jackowitz, Treasurer (see signatures of other Reporting Persons as Exhibit 99.1)	01/20/2006
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) These shares of Common Stock, par value $0.01 per share ("Common Stock"), of the Issuer were distributed by the Issuer on account of previously reported trade vendor/lease rejection claims (and participations in such claims) held with respect to Kmart Corporation by ESL Partners, L.P., a Delaware limited partnership ("Partners"), and ESL Investors, L.L.C., a Delaware limited liability company ("Investors"). Pursuant to Kmart Corporation's Plan of Reorganization, Partners and Investors (or one or more of their affiliates) have in the past received shares of common stock of Kmart Holding Corporation (the predecessor to the Issuer) and shares of Common Stock from the Issuer. Partners and Investors (or one or more of their affiliates) may in the future receive shares of Common Stock on account of these same trade vendor/lease rejection claims as all trade vendor/lease rejection claims held by all persons continue to be reconciled.

(2) These securities are held for the account of Partners.

(3) These securities are held for the account of Investors.

(4) These securities are held for the account of ESL Institutional Partners, L.P. ("Institutional").

(5) These securities are held for the account of CRK Partners, LLC ("CRK LLC").

(6) These securities are held for the account of ESL Investment Management, LLC ("Investment Management").

(7) This Form 4 is filed on behalf of a group consisting of ESL Investments, Inc. ("ESL"), Edward S. Lampert, CRK LLC, Investors, Partners, Institutional, Investment Management, RBS Partners, L.P. ("RBS") and RBS Investment Management, LLC ("RBSIM"). Mr. Lampert, who serves as the Chairman and as a director of Holdings, is the sole shareholder, chief executive officer and director of ESL and the managing member of Investment Management. ESL is the general partner of RBS, the sole member of CRK LLC and the manager of RBSIM. RBS is the general partner of Partners and the managing member of Investors. RBSIM is the general partner of Institutional.

Remarks:

Pursuant to Rule 16a-1(a)(2)(ii)(B) under the Securities Exchange Act of 1934, as amended (the "Act"), each of the Reporting Persons may be deemed to be the beneficial owner of the securities reported herein only to the extent of his or its pecuniary interest therein. Pursuant to Rule 16a-1(a)(4) under the Act, this filing shall not be deemed an admission that the any of the Reporting Persons is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities reported herein in excess of such amount.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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Explanation of Responses: