EXHIBIT 4(e)  
  
  
 THIS FIRST SUPPLEMENTAL INDENTURE, dated as of November 3, 2003  
 (this "First Supplemental Indenture"), is by and among SEARS XXXXXXX  
ACCEPTANCE CORP., a corporation organized and existing under the laws  
of the State of Delaware (the "Company"), SEARS, XXXXXXX AND CO., a  
corporation organized and existing under the laws of the State  
of New York ("Sears") and BNY MIDWEST TRUST COMPANY, an Illinois trust  
company (the "Trustee").  
  
 PRELIMINARY STATEMENT  
  
 The Company and the Trustee have entered into an Indenture,  
dated as of October 1, 2002 (the "Indenture"). Capitalized terms  
used herein have the meanings assigned to them in the Indenture unless  
otherwise indicated. In Section 11.1 of Article XI of the Indenture  
it is provided that, among other things, the Company, when authorized by  
resolution of its Board, and the Trustee, subject to the conditions and  
restrictions in the Indenture contained, may from time to time and at any  
time enter into an indenture or indentures supplemental thereto for the  
following purposes among others: to add to the covenants and agreements  
of the Company for the benefit of the Holders of all or any series of  
Securities.  
  
 The Company created and issued under and in accordance with the  
provisions of the Indenture, the Securities identified on Annex A hereto  
(collectively, the "Notes").  
  
 Sears now desires to guarantee payment of principal, interest and  
premium (if any) on the Notes irrevocably and unconditionally and to  
enter into this First Supplemental Indenture to evidence this guarantee  
of the Notes.  
  
 NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:  
  
1.The following shall be added as additional definitions in  
Section 1.1 of Article I of the Indenture:  
  
Benefitted Party  
  
The term "Benefitted Party" shall have the meaning specified in  
Section 14.13.  
  
First Supplemental Indenture  
  
The term "First Supplemental Indenture" shall mean the First  
Supplemental Indenture, dated November 3, 2003, by and among the  
Company, Sears and the Trustee.  
  
Notes  
  
The term "Notes" shall have the meaning specified in the  
Preliminary Statement of the First Supplemental Indenture and  
shall include all Securities outstanding under the Indenture on the  
date hereof and any Security issued upon registration of transfer  
or exchange of any such Security or upon replacement of a lost,  
stolen, mutilated or destroyed such Security, but shall not  
mean any Securities authorized and issued after the date hereof.  
  
Guarantee  
  
The term "Guarantee" shall mean the guarantee of Sears set forth  
in Section 14.13.  
  
2.The following shall be added as new Section 14.13 of Article XIV  
 of the Indenture:  
  
 Section 14.13. Guarantee. Subject to the provisions of this  
Indenture and any supplemental indenture hereto, Sears hereby  
irrevocably and unconditionally guarantees to each  
Holder of a Note outstanding on the date of the First  
Supplemental Indenture or any Note thereafter authenticated  
and delivered by the Trustee and to the Trustee and its successors  
and assigns, that: (i) the principal of (and premium, if any) and  
interest on the Notes shall be paid in full when due, whether at  
maturity, by acceleration or otherwise, and (ii) in case of any  
extension of time in payment or renewal of any Notes or pursuant  
to any cure period provisions of the Notes or the Indenture, they  
shall be paid in full when due in accordance with the terms of the  
extension or renewal or cure period. Failing payment when due of  
any amount so guaranteed, Sears shall be obligated to pay the same.  
Sears agrees that this is a guarantee of payment and not  
a guarantee of collection. For the avoidance of doubt, the  
Guarantee does not extend to nor shall it benefit the Holder of  
any Security issued under the Indenture other than the Notes, including  
any Security authorized and issued after the date hereof,  
unless the terms of such Security specifically make this  
Guarantee applicable thereto and Sears consents to such application.  
  
 Sears hereby agrees that its obligations with regard to  
the Guarantee shall be unconditional, irrespective of any circumstances  
which might otherwise constitute a legal or equitable defense  
of a guarantor. In the event of a default in the payment of  
principal, interest or premium (if any) the Trustee or any  
Holder of Notes may seek to enforce the Guarantee against  
Sears without first proceeding against the Company.  
Sears further, to the extent permitted by law, hereby  
waives (a) any defense that may arise by reason of the  
incapacity, lack of authority, death or disability of  
any other person or the failure of the Trustee, the Holders  
or the Company (each a "Benefitted Party") to file or  
enforce a claim against the estate (in administration,  
bankruptcy or any other proceeding) of any other person,  
(b) notice of the existence, creation or incurring of any new  
or additional indebtedness or obligation, (c) any defense based  
upon an election of remedies by a Benefitted Party, including  
but not limited to an election law which provides that the  
obligation of a surety must be neither larger in amount nor  
in other respects more burdensome than that of the principal,  
(d) any defense arising because of a Benefitted  
Party's election, in any proceeding instituted under  
Federal bankruptcy law, of the application of  
11 U.S.C. Section 1111(b)(2) or (e) any defense based  
on any borrowing or grant of a security  
interest under 11 U.S.C. Section 364. Sears hereby  
covenants that the Guarantee shall not be  
discharged except by complete payment of principal,  
interest and premium (if any) in accordance  
with the provisions contained in the Notes, the Guarantee,  
this Indenture and any supplemental indenture hereto.  
  
 If any Holder or the Trustee is required by any  
court or otherwise to return to either the Company or  
Sears, or any custodian acting in relation to either  
the Company or Sears, any amount paid by the Company  
or Sears to the Trustee or such Holder, the Guarantee,  
to the extent theretofore discharged, shall be reinstated  
in full force and effect. Sears agrees that it shall not  
be entitled to any right of subrogation in relation to the  
Holders or the Trustee in respect of any obligations guaranteed  
hereby until payment in full of all obligations guaranteed hereby.  
  
 The Guarantee is a continuing guarantee and shall remain  
in full force and effect and shall be binding upon Sears and  
its successors and assigns until full and final payment of all of  
principal, interest and premium (if any) under the Notes and  
shall inure to the benefit of the successors and assigns of the  
Trustee and the Holders and, in the event of any transfer or  
assignment of rights by any Holder or the Trustee, the rights  
and privileges herein conferred upon that party shall automatically  
 extend to and be vested in such transferee or assignee, all  
subject to the terms and conditions hereof.  
  
 Sears acknowledges that it will receive direct and indirect  
 benefits from the financing arrangements contemplated by this  
First Supplemental Indenture. Sears, and by its acceptance  
hereof, each beneficiary hereof, hereby confirms that it is its  
intention that the Guarantee not constitute a fraudulent transfer  
or conveyance for purposes of any Federal bankruptcy law, the  
Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer  
Act or any similar Federal, state or foreign law to the extent  
applicable to the Guarantee. To effectuate the foregoing intention,  
each such person hereby irrevocably agrees that the obligation of Sears  
under the Guarantee shall be limited to the maximum amount as will,  
after giving effect to such maximum amount and all other (contingent  
or otherwise) liabilities of Sears that are relevant  
under such laws, result in the obligations of Sears in respect  
of such maximum amount not constituting a fraudulent transfer or  
conveyance.  
  
3. Effect of First Supplemental Indenture  
  
 Sears hereby agrees that by virtue of its execution and delivery  
of this First Supplemental Indenture, it shall be deemed to have  
signed on each Note issued under the Indenture the notation  
of the Guarantee and accordingly, the Guarantee shall be deemed  
to be a part of each Note.  
  
4. Miscellaneous  
  
Ratification of Indenture; First Supplemental Indenture; Part of Indenture.  
Except as expressly amended hereby, the Indenture is in all respects  
ratified and confirmed and all the terms, conditions and provisions  
thereof shall remain in full force and effect. This First Supplemental  
Indenture shall form a part of the Indenture for all purposes, and every Holder  
of a Note heretofore or hereafter authenticated and delivered shall be  
bound hereby.  
  
Governing Law. This First Supplemental Indenture shall be governed in  
accordance with the internal laws of the State of Delaware.  
  
Trustee Makes No Representations. The Trustee makes no representation  
as to the validity or sufficiency of this First Supplemental Indenture.  
  
  
Counterparts. This First Supplemental Indenture may be simultaneously  
executed in any number of counterparts, each of which when so executed  
and delivered shall be an original; but such counterparts shall together  
constitute but one and the same instrument.  
  
Effect of Headings. All descriptive headings of this First Supplemental  
Indenture are inserted for convenience only and shall not control or  
affect the meaning or construction of any of the provisions hereof.  
  
 IN WITNESS HEREOF, the parties hereto have caused this First Supplemental  
Indenture to be duly executed, and the corporate seal of the Trustee to be  
hereunto affixed and attested, all as of the day and year first above written.  
  
  
 SEARS XXXXXXX ACCEPTANCE CORP.  
 By: /s/ Xxxxx X. Xxxxx  
 -------------------  
 Name: Xxxxx X. Xxxxx  
 Title: President  
  
  
Attest:  
  
/s/Xxxxxxx X. Xxxxxx  
--------------------  
Name: Xxxxxxx X. Xxxxxx  
Title: Assistant Secretary  
  
  
 SEARS, XXXXXXX AND CO.  
 By: /s/Xxxxx X. Xxxxxxx  
 ---------------------  
 Name: Xxxxx X. Xxxxxxx  
 Title: Senior Vice President and Chief Financial Officer  
  
  
  
Attest:  
  
/s/Xxxxx Xxxxx-Xxxx  
-----------------------  
Name: Xxxxx Xxxxx-Xxxx  
Title: Secretary  
  
  
 BNY MIDWEST TRUST COMPANY,  
 As Trustee  
  
 By: /s/X. Xxxxxxxx  
 ----------------------  
 Name: X. Xxxxxxxx  
 Title: Assistant Vice President  
  
  
Attest:  
 /s/ X. X. Xxxxxxx  
--------------------  
Name: X. X. Xxxxxxx  
Title: Assistant Vice President  
  
  
 ANNEX A  
  
  
 MATURITY  
 SERIES DATE COUPON CUSIP# PRINCIPAL  
-------------- -------- ------- ------- ---------  
Medium Term Notes Series VI 1/7/04 Variable 00000XXX0 $ 201,385,000  
Medium Term Notes Series VI 1/7/04 Variable 00000XXX0 $ 57,000,000  
Medium Term Notes Series VI 2/23/04 Variable 00000XXX0 $ 60,100,000  
Medium Term Notes Series VI 2/23/04 Variable 00000XXX0 $ 95,500,000  
Medium Term Notes Series VI 2/23/04 Variable 00000XXX0 $ 3,000,000  
Medium Term Notes Series VI 2/23/04 Variable 00000XXX0 $ 20,000,000  
Medium Term Notes Series VI 2/23/04 Variable 00000XXX0 $ 15,000,000  
Medium Term Notes Series VI 3/23/04 Variable 00000XXX0 $ 50,000,000  
Medium Term Notes Series VI 4/23/04 Variable 00000XXX0 $ 85,500,000  
Medium Term Notes Series VI 4/23/04 Variable 00000XXX0 $ 45,000,000  
Medium Term Notes Series VI 4/23/04 Variable 00000XXX0 $ 25,000,000  
Medium Term Notes Series VI 5/11/04 Variable 00000XXX0 $ 132,000,000  
Medium Term Notes Series VI 5/11/04 Variable 00000XXX0 $ 31,500,000  
Medium Term Notes Series VI 5/11/04 Variable 00000XXX0 $ 500,000  
Medium Term Notes Series VI 5/11/04 Variable 00000XXX0 $ 2,000,000  
Medium Term Notes Series VI 5/11/04 Variable 00000XXX0 $ 5,000,000  
Medium Term Notes Series VI 5/12/04 Variable 00000XXX0 $ 25,000,000  
Medium Term Notes Series VII 2/20/04 Variable 00000XXX0 $ 98,050,000  
Medium Term Notes Series VII 2/20/04 Variable 00000XXX0 $ 200,000  
Medium Term Notes Series VII 2/20/04 Variable 00000XXX0 $ 6,500,000  
Medium Term Notes Series VII 2/20/04 Variable 00000XXX0 $ 40,000,000  
Medium Term Notes Series VII 2/20/04 Variable 00000XXX0 $ 5,000,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 35,500,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 1,000,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 77,000,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 50,000,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 25,000,000  
Medium Term Notes Series VII 2/25/04 Variable 00000XXX0 $ 61,700,000  
Medium Term Notes Series VII 3/9/04 Variable 00000XXX0 $ 6,000,000  
Medium Term Notes Series VII 3/9/04 Variable 00000XXX0 $ 6,000,000  
Medium Term Notes Series VII 3/9/04 Variable 00000XXX0 $ 50,000,000  
Medium Term Notes Series VII 3/9/04 Variable 00000XXX0 $ 69,700,000  
InterNotes Series I 12/15/05 5.650% 0000XXXX0 $ 35,384,000  
InterNotes Series I 12/17/07 6.600% 0000XXXX0 $ 32,125,000  
InterNotes Series I 12/17/12 7.400% 0000XXXX0 $ 45,163,000  
InterNotes Series I 12/15/09 7.250% 0000XXXX0 $ 34,341,000  
InterNotes Series I 12/15/05 5.750% 0000XXXX0 $ 42,917,000  
InterNotes Series I 12/17/07 6.700% 0000XXXX0 $ 25,351,000  
InterNotes Series I 12/17/12 7.500% 0000XXXX0 $ 54,895,000  
InterNotes Series I 12/15/09 7.300% 0000XXXX0 $ 27,994,000  
InterNotes Series I 1/16/06 6.000% 0000XXXX0 $ 16,419,000  
InterNotes Series I 1/15/08 7.000% 0000XXXX0 $ 17,834,000  
InterNotes Series I 1/15/13 7.500% 0000XXXX0 $ 14,229,000  
InterNotes Series I 1/15/10 7.400% 0000XXXX0 $ 10,459,000  
InterNotes Series I 1/17/06 5.900% 0000XXXX0 $ 23,187,000  
InterNotes Series I 1/15/08 6.900% 0000XXXX0 $ 19,777,000  
InterNotes Series I 1/15/13 7.500% 0000XXXX0 $ 21,498,000  
InterNotes Series I 1/15/10 7.400% 0000XXXX0 $ 19,068,000  
InterNotes Series I 1/17/06 5.900% 0000XXXX0 $ 50,190,000  
InterNotes Series I 1/15/08 6.750% 0000XXXX0 $ 56,371,000  
InterNotes Series I 1/15/13 7.500% 0000XXXX0 $ 36,380,000  
InterNotes Series I 1/15/10 7.450% 0000XXXX0 $ 40,699,000  
InterNotes Series I 1/17/06 5.400% 0000XXXX0 $ 59,717,000  
InterNotes Series I 1/15/08 6.150% 0000XXXX0 $ 43,647,000  
InterNotes Series I 2/15/05 4.950% 0000XXXX0 $ 89,413,000  
InterNotes Series I 2/15/08 6.200% 0000XXXX0 $ 39,998,000  
InterNotes Series I 2/15/06 5.400% 0000XXXX0 $ 50,182,000  
InterNotes Series I 2/15/08 6.100% 0000XXXX0 $ 27,315,000  
InterNotes Series I 2/15/06 5.500% 0000XXXX0 $ 40,414,000  
InterNotes Series I 2/15/08 6.250% 0000XXXX0 $ 24,063,000  
InterNotes Series I 2/15/06 5.800% 0000XXXX0 $ 58,535,000  
InterNotes Series I 2/15/08 6.650% 0000XXXX0 $ 46,362,000  
InterNotes Series I 3/15/06 5.400% 0000XXXX0 $ 40,439,000  
InterNotes Series I 3/17/08 6.200% 0000XXXX0 $ 24,349,000  
InterNotes Series I 3/15/13 7.150% 0000XXXX0 $ 13,819,000  
InterNotes Series I 3/15/10 7.000% 0000XXXX0 $ 20,171,000  
InterNotes Series I 3/15/06 5.200% 0000XXXX0 $ 26,670,000  
InterNotes Series I 3/17/08 6.000% 0000XXXX0 $ 15,595,000  
InterNotes Series I 3/15/13 7.050% 0000XXXX0 $ 8,358,000  
InterNotes Series I 3/15/10 6.800% 0000XXXX0 $ 6,002,000  
InterNotes Series I 3/15/06 5.750% 0000XXXX0 $ 27,233,000  
InterNotes Series I 3/17/08 6.650% 0000XXXX0 $ 18,041,000  
InterNotes Series I 3/15/10 7.375% 0000XXXX0 $ 10,572,000  
InterNotes Series I 3/15/13 7.750% 0000XXXX0 $ 10,792,000  
InterNotes Series I 4/17/06 4.800% 0000XXXX0 $ 17,315,000  
InterNotes Series I 4/15/08 5.600% 0000XXXX0 $ 11,146,000  
InterNotes Series I 4/17/06 4.350% 0000XXXX0 $ 8,084,000  
InterNotes Series I 4/15/08 5.250% 0000XXXX0 $ 7,349,000  
InterNotes Series I 4/15/10 5.850% 0000XXXX0 $ 2,062,000  
InterNotes Series I 4/15/13 6.450% 0000XXXX0 $ 8,666,000  
InterNotes Series I 5/15/06 4.050% 0000XXXX0 $ 5,190,000  
InterNotes Series I 5/15/08 5.000% 0000XXXX0 $ 17,614,000  
InterNotes Series I 5/17/10 5.625% 0000XXXX0 $ 2,288,000  
InterNotes Series I 5/15/13 6.200% 0000XXXX0 $ 12,360,000  
InterNotes Series II 5/15/06 3.850% 0000XXXX0 $ 5,562,000  
InterNotes Series II 5/15/08 4.800% 0000XXXX0 $ 5,681,000  
InterNotes Series II 5/17/10 5.450% 0000XXXX0 $ 4,309,000  
InterNotes Series II 5/15/13 6.000% 0000XXXX0 $ 8,851,000  
InterNotes Series II 5/15/06 3.750% 0000XXXX0 $ 6,963,000  
InterNotes Series II 5/15/08 4.750% 0000XXXX0 $ 5,872,000  
InterNotes Series II 5/17/10 5.350% 0000XXXX0 $ 4,042,000  
InterNotes Series II 5/15/13 6.000% 0000XXXX0 $ 13,799,000  
InterNotes Series II 5/15/06 3.500% 0000XXXX0 $ 5,095,000  
InterNotes Series II 5/15/08 4.350% 0000XXXX0 $ 6,396,000  
InterNotes Series II 5/17/10 5.000% 0000XXXX0 $ 4,386,000  
InterNotes Series II 5/15/13 5.650% 0000XXXX0 $ 6,782,000  
InterNotes Series II 5/15/06 3.550% 0000XXXX0 $ 5,709,000  
InterNotes Series II 5/15/08 4.300% 0000XXXX0 $ 3,331,000  
InterNotes Series II 5/17/10 4.950% 0000XXXX0 $ 3,570,000  
InterNotes Series II 5/15/13 5.550% 0000XXXX0 $ 8,128,000  
InterNotes Series II 6/15/06 3.500% 0000XXXX0 $ 4,169,000  
InterNotes Series II 6/16/08 4.300% 0000XXXX0 $ 4,599,000  
InterNotes Series II 6/15/10 4.950% 0000XXXX0 $ 1,899,000  
InterNotes Series II 6/17/13 5.500% 0000XXXX0 $ 6,340,000  
InterNotes Series II 6/15/06 3.300% 0000XXXX0 $ 5,513,000  
InterNotes Series II 6/16/08 4.100% 0000XXXX0 $ 6,630,000  
InterNotes Series II 6/15/10 4.750% 0000XXXX0 $ 2,249,000  
InterNotes Series II 6/17/13 5.400% 0000XXXX0 $ 14,202,000  
InterNotes Series II 6/15/06 2.700% 0000XXXX0 $ 4,823,000  
InterNotes Series II 6/16/08 3.550% 0000XXXX0 $ 2,480,000  
InterNotes Series II 6/15/10 4.250% 0000XXXX0 $ 3,806,000  
InterNotes Series II 6/17/13 4.900% 0000XXXX0 $ 4,289,000  
InterNotes Series II 6/15/06 2.700% 0000XXXX0 $ 1,808,000  
InterNotes Series II 6/15/08 3.500% 0000XXXX0 $ 1,682,000  
InterNotes Series II 6/15/10 4.150% 0000XXXX0 $ 2,234,000  
InterNotes Series II 7/15/06 2.900% 0000XXXX0 $ 4,112,000  
InterNotes Series II 7/15/08 3.850% 0000XXXX0 $ 2,450,000  
InterNotes Series II 7/15/10 4.550% 0000XXXX0 $ 5,013,000  
 Retail 2/1/43 7.400% 812404507 $ 250,000,000