

**United States Bankruptcy Court**  
**NORTHERN DISTRICT OF ILLINOIS ( E. DIV.)**

**PROOF OF CLAIM**

**In re (Name of Debtor)**  
**KMART CORPORATION**

**Case Number**  
**02- 02474**

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C §503.

**Name of Creditor**  
 (The person or other entity to whom the debtor owes money or property)  
**The Continental CASUALTY Company As Agent For:**  
**VGI INC.**

- Check box if you are aware that anyone else has filed a Proof of claim relating to your claim. Attach copy of statement giving particulars.
- Check box if you have never received any notices from the Bankruptcy court in this case.
- Check box if the address differs from the address on the envelope sent to you by the Court.

**Name and Address Where Notices Should be Sent**  
**VGI INC.**  
**c/o The Continental CASUALTY Company**  
**P.O. Box 905**  
**Monmouth Junction, NJ 08852-0905**  
**ATTN: DAVID J. MILLER**  
**Telephone No. (732) 398-4522**

**FILED**  
 UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF ILLINOIS  
**FEB 26 2002**  
**KENNETH S. GARNER, CLERK**  
**MAILROOM - LL**

THIS SPACE IS FOR COURT USE ONLY

**ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:**  
**008965873**

Check here if this claim amends a previously filed claim dated: \_\_\_\_\_

- 1. BASIS FOR CLAIMS**
- Goods sold
  - Services performed
  - Money loaned
  - Personal injury/wrongful death
  - Taxes
  - Other (Describe briefly)

- Retiree benefits as defined in 11 U.S.C. § 1114(a)
- Wages, salaries, and compensation (Fill out below)  
 Your social security number \_\_\_\_\_  
 Unpaid compensation for services performed from \_\_\_\_\_ to \_\_\_\_\_  
 (date) (date)

**2. DATE DEBT WAS INCURRED**  
 10/17/01 TO 12/31/01

**3. IF COURT JUDGMENT, DATE OBTAINED:**

**4. CLASSIFICATION OF CLAIM.** Under the Bankruptcy Code all claims are classified as one or more of the following: (1) Unsecured nonpriority, (2) Unsecured Priority, (3) Secured. It is possible for part of a claim to be in one category and part in another.

CHECK THE APPROPRIATE BOX OR BOXES that best describe your claim and STATE THE AMOUNT OF THE CLAIM AT TIME CASE FILED.

SECURED CLAIM \$ \_\_\_\_\_  
 Attach evidence of perfection of security interest  
 Brief Description of Collateral:  
 Real Estate  Motor Vehicle  Other (Describe briefly)

Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ \_\_\_\_\_

UNSECURED NONPRIORITY CLAIM: **\$509,806.69**

A claim is unsecured if there is no collateral or lien on property of the debtor securing the claim or to the extent that the value of such property is less than the amount of the claim.

UNSECURED PRIORITY CLAIM \$ \_\_\_\_\_

Specify the priority of the claim.

- Wages, salaries, or commissions (up to \$2000), earned not more than 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier -11 U.S.C. § 507(a)(3)
- Contributions to an employee benefit plan--11 U.S.C. § 507(a)(4)
- Up to \$1,800\* of deposits toward purchase, lease, or rental of property or services for Personal, family, or household use--11 U.S.C. § 507(a)(6)
- Alimony, maintenance, or support owed to a spouse, former spouse, or child - U.S.C. § 507 (a)(7)
- Taxes or penalties of governmental units--11 U.S.C § 507(a)(7)
- Other: Specify applicable paragraph of 11 U.S.C. § 507 (a) \_\_\_\_\_

\*Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

**CLAIM AT TIME CASE FILED:** **\$509,806.69** (Unsecured) (Priority)

**\$ 509,806.69**  
(Total)

Check this box if claim includes charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.

- 5. CREDITS AND SETOFFS:** The amount of all payments on this claim has been credited and deducted for the purpose of making this Proof of claim. In filing this claim, claimant has deducted all amounts that claimant owes to debtor.
- 7. SUPPORTING DOCUMENTS:** Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, or evidence of security interests. If the documents are not available, explain. If the documents are voluminous, attach a summary.
- 8. TIME-STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

THIS SPACE IS FOR COURT USE ONLY

**DATE**  
 2/18/02

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)  
**DAVID J. MILLER**  
**CLAIMS TECHNICIAN**

2/26/02  
 353 ML

\*\*\*\*\*

ENTRY CODES:

1	PRIOR YR INV.	8,10	NON-DELIVERY CANCEL.	26	SHIPPER OVERAGE.	32	FIX CHARGES.
4	TRADE ALLOW/NEW STORE DISC	15	MOSE RETURN/DESTROY.	27,28	ADJUSTMENT.	33	PAYROLL.
5	SPLIT INVOICE.	16	SHIPPER SHORTAGE.	29	KIM ADJUSTMENT.	34	WCR.
6	TAX ON MOSE FOR RESALE.	17,18	ADJUSTMENT.	30	SALES.	35	MISC.
7,9	NON-DELIVERY CLAIMS.	19	KIM ADJUSTMENT.	31	FEES.		

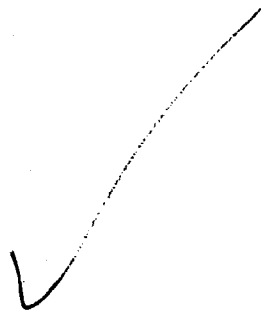
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DISCOUNT CODES:

C) CASH	F) FREIGHT	T) TRADE
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V G I INC  
1320 HOBART AVE  
BRONX NY 10461



\* PLEASE RENDER STATEMENT EACH MONTH SHOWING ALL PAST DUE INVOICES AND CREDITS. STORE AND INVOICE # MUST BE SHOWN OPPOSITE CHARGE.  
\* ADDRESS ALL CORRESPONDENCE CONCERNING REMITTANCES TO ACCOUNTS PAYABLE AUDIT DEPARTMENT.

STORE NO.	DOCUMENT NUMBER	P.O. NUMBER / H FILM # (N)	DOCUMENT DATE	ENTRY CODE	DOCUMENT AMOUNT	DISCOUNT AMOUNT	DISCOUNT % CODE	DEPT. NO.
3117	500868	090050145E*	12/26/01		165.00	.00		400
3167	200499	090090100A*	12/31/01		1,063.13	.00		400
3201	405276	090050254D*	12/27/01		1,178.84	.00		400
3229	200449	090070480B*	12/12/01		393.75	.00		400
3229	200466	090070480B*	12/18/01		315.00	.00		400
3229	200483	090070480B*	12/26/01		393.75	.00		400
3392	500801	090100383D*	12/12/01		407.00	.00		400
3392	500903	090100383D*	12/31/01		288.75	.00		400
3454	500870	090070928E*	12/26/01		1,720.58	.00		400
3454	500904	090070928E*	12/31/01		1,529.17	.00		400
3499	300341	090090305D*	12/31/01		1,061.50	.00		400
3522	300328	090050614B*	12/26/01		2,475.00	.00		400
3527	500906	090090315C*	12/31/01		781.00	.00		400
3596	500597	090071185D*	10/17/01		550.00	.00		400
3596	500840	090071185D*	12/18/01		596.75	.00		400
3596	500874	090071185D*	12/26/01		596.75	.00		400
3597	500909	090071188E*	12/31/01		379.50	.00		400
3654	200453	090100632C*	12/12/01		872.81	.00		400
3654	200487	090100632C*	12/26/01		872.81	.00		400
3654	200509	090100632C*	12/31/01		761.25	.00		400
3711	200488	090071489D*	12/26/01		1,069.69	.00		400
3711	200505	090071489D*	12/31/01		630.00	.00		400
3862	100899	090071881A*	12/23/01		286.00	.00		400
3862	100939	090110888E*	12/31/01		286.00	.00		400
3964	500911	090072154E*	12/31/01		286.00	.00		400
3990	300327	090111075E*	12/26/01		3,036.00	.00		400
3990	300338	090111075E*	12/31/01		2,513.50	.00		400
4483	200459	090051798B*	12/12/01		306.25	.00		400
4483	200493	090051798B*	12/26/01		337.50	.00		400
4785	100898	090111617E*	12/26/01		2,327.92	.00		400
4785	100938	090111617E*	12/31/01		2,000.46	.00		400
4785	405268	090111617E*	12/27/01		779.40	.00		400
4785	405337	090111617E*	12/24/01		974.25	.00		400
7198	500812	090074356D*	12/12/01		1,078.00	.00		400
7198	500846	090074356D*	12/18/01		1,420.83	.00		400
7198	500880	090074356D*	12/26/01		1,741.67	.00		400
7204	500881	090074361B*	12/26/01		929.50	.00		400
7282	200512	090081253E*	12/31/01		733.91	.00		400
7476	100963	090091455C*	12/31/01		954.80	.00		400
7575	300342	090091504D*	12/31/01		924.00	.00		400
7654	404783	090075235B*	11/06/01		2,031.58	.00		400
7654	404853	090075235B*	11/14/01		2,052.69	.00		400
7654	405058	090075235B*	12/05/01		2,133.83	.00		400
7654	405132	090075235B*	12/13/01		2,076.24	.00		400
7654	405201	090075235B*	12/18/01		1,788.56	.00		400
9381	100892	090102705D*	12/26/01		1,861.86	.00		400
9381	100933	090102705D*	12/31/01		1,342.69	.00		400
9382	500924	090091740C*	12/31/01		738.54	.00		400
9393	500925	090112810E*	12/31/01		624.25	.00		400
9395	500858	090102724B*	12/18/01		1,798.50	.00		400
9395	500926	090102724B*	12/31/01		979.00	.00		400
9411	500927	090081645C*	12/31/01		539.88	.00		400
9413	300311	090075812C*	12/04/01		1,144.00	.00		400
9421	500826	090112833E*	12/12/01		1,548.25	.00		400
9421	500860	090112833E*	12/18/01		1,988.50	.00		400
9421	500894	090112833E*	12/26/01		1,892.00	.00		400
9421	500928	090112833E*	12/31/01		1,455.62	.00		400
9425	100817	090102752D*	12/12/01		2,193.96	.00		400
9425	100859	090102752D*	12/17/01		2,250.52	.00		400
9425	100900	090102752D*	12/26/01		2,149.30	.00		400
9425	100940	090102752D*	12/31/01		1,952.83	.00		400
9446	200515	090091784D*	12/31/01		990.94	.00		400

short short

Kmart Corporation  
3100 WEST BIG BEAVER, TROY, MI 48084

DUNS NO. 00-896-5873

PAGE 2

BANK NO: 12

CHECK DATE: 01/15/02

VENDOR DUNS NUMBER: 00-067-1636

CHECK NO: 4034724

V G I INC

STORE NO.	DOCUMENT NUMBER	P.O. NUMBER / H FILM # (*)	DOCUMENT DATE	ENTRY CODE	DOCUMENT AMOUNT	DISCOUNT AMOUNT	DISCOUNT %	DISCOUNT CODE	DEPT. NO.
			<b>DOCUMENT TOTAL</b>	<b>DISCOUNT TOTAL</b>	<b>1099 W TAX TOTAL</b>	<b>CHECK AMOUNT</b>			
			74,852.93	0.00	0.00	74,852.93			

V G I INC

(DUNS NUMBER: 00-067-1636)

Kmart Corporation

DUNS NO. 0000-896-5873

BANK NO: 12

CHECK DATE : 01/16/2002

CHECK NUMBER: 004035862

CHECK AMOUNT: 26,335.12

\* PLEASE RENDER STATEMENT EACH MONTH SHOWING ALL PAST DUE INVOICES AND CREDITS. STORE AND INVOICE NUMBER MUST BE SHOWN  
 \* OPPOSITE EACH CHARGE. ADDRESS ALL CORRESPONDENCE CONCERNING REMITTANCES TO A/P AUDIT DEPARTMENT.

001

STORE NO.	DOCUMENT NUMBER	P.O. NUMBER / FICHE NO(*)	DOC. DATE	ENTRY CODE	DOCUMENT AMOUNT	DISCOUNT AMOUNT	DISCOUNT % CODE	DEPT NO.
3028	500868	090140047D*	12/26/01					
3201	405342	090050254D*	12/31/01		396.00			400
3229	200500	090070480B*	12/31/01		808.73	.00		400
3509	200503	090080292C*	12/31/01		78.75	.00		400
3522	300339	090050614B*	12/31/01		787.50	.00		400
3581	500907	090080325A*	12/31/01		1,974.50	.00		400
3596	500908	090141213C*	12/31/01		335.50	.00		400
3794	200506	090080489A*	12/31/01		497.75	.00		400
3798	200456	090120644B*	12/12/01		715.31	.00		400
3798	200490	090120644B*	12/26/01		664.78	.00		400
3798	200507	090120644B*	12/31/01		630.00	.00		400
3937	100835	090080804A*	12/31/01		494.38	.00		400
3953	500910	090080817B*	12/31/01		841.42	.00		400
4248	405275	090120997D*	12/27/01		4,807.08	.00		400
4248	405341	090120997D*	12/31/01		1,250.29	.00		400
4483	200510	090121150D*	12/31/01		1,062.74	.00		400
7110	500912	090074213D*	12/31/01		281.25	.00		400
7198	500914	090074356D*	12/31/01		1,485.00	.00		400
7293	500917	090074537E*	12/31/01		1,402.50	.00		400
9395	500892	090145940B*	12/26/01		539.00	.00		400
9411	500607	090145968D*	12/30/01		1,292.50	.00		400
9411	500657	090145968D*	12/30/01		610.50	.00		400
9411	500729	090145968D*	12/19/01		602.25	.00		400
9411	500893	090145968D*	12/26/01		610.50	.00		400
9411	500632	090145968D*	12/30/01		920.88	.00		400
9420	405338	090081654A*	12/31/01		610.50	.00		400
					2,637.51	.00		400

*short 14.06*

*surplus*

number
Total
75.00
75.00
75.00
5.00
3.75
8.75

DOCUMENT TOTAL 26,335.12      DISCOUNT TOTAL .00      1099 WTAX TOTAL .00      NET AMOUNT 26,335.12

DISCOUNT CODE: A. ANTICIPATION      C. CASH      F. FREIGHT      T. TRADE

V G I INC  
 (DUNS NUMBER: 00-067-1638)

Kmart Corporation DUNS NO. 0000-896-5873  
 BANK NO: 12 CHECK DATE : 01/11/2002  
 CHECK NUMBER: 004032468  
 CHECK AMOUNT: 22,239.18

2001

\* PLEASE RENDER STATEMENT EACH MONTH SHOWING ALL PAST DUE INVOICES AND CREDITS. STORE AND INVOICE NUMBER MUST BE SHOWN  
 \* OPPOSITE EACH CHARGE. ADDRESS ALL CORRESPONDENCE CONCERNING REMITTANCES TO A/P AUDIT DEPARTMENT.

STORE NO.	DOCUMENT NUMBER	P.O. NUMBER / FICHE NO(*)	DOC. DATE	ENTRY CODE	DOCUMENT AMOUNT	DISCOUNT AMOUNT	DISCOUNT % CODE	DEPT NO.
3167	200448	090090100A*	12/12/01		1,240.31	.00		400
3167	200482	090090100A*	12/26/01		1,533.44	.00		400
3499	300330	090090305D*	12/26/01		1,908.50	.00		400
3799	200457	090090529B*	12/12/01		1,142.75	.00		400
3799	200491	090090529B*	12/26/01		1,112.13	.00		400
7476	100896	090091455C*	12/26/01		1,927.50	.00		400
7575	300285	090091504D*	11/14/01		753.50	.00		400
7575	300292	090091504D*	11/18/01		951.50	.00		400
7575	300310	090091504D*	12/04/01		1,072.50	.00		400
7575	300317	090091504D*	12/12/01		1,100.00	.00		400
7575	300324	090091504D*	12/18/01		1,331.00	.00		400
7575	300331	090091504D*	12/26/01		1,556.50	.00		400
9382	500890	090091740C*	12/26/01		1,425.04	.00		400
9411	500859	090091761B*	12/18/01		649.00	.00		400
9416	405277	090091766C*	12/27/01		1,226.47	.00		400
9446	200464	090091784D*	12/12/01		1,122.19	.00		400
9446	200481	090091784D*	12/18/01		1,043.44	.00		400
9446	200498	090091784D*	12/26/01		1,143.41	.00		400

Number

36

Total

\$1,460.42

\$1,460.42

\$1,460.42

\$1,460.42

\$73.02

\$1,533.44

DOCUMENT TOTAL 22,239.18    DISCOUNT TOTAL .00    1099 WTAX TOTAL .00    NET AMOUNT 22,239.18

DISCOUNT CODE:    A. ANTICIPATION    C. CASH    F. FREIGHT    T. TRADE