

United States Bankruptcy Court		PROOF OF CLAIM	
Northern DISTRICT of IL		Case Number	
In re (Name of Debtor) KMART CORPORATION, ET AL.		02 B 02474	
<small>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.</small>			
Name of Creditor (The person or other entity to whom the debtor owes money or property) Continental Casualty Company As Agent for: Franco Manufacturing Co., Inc.		<input type="checkbox"/> 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. <input checked="" type="checkbox"/> Check box if you have never received any notices from the Bankruptcy court in this case. <input checked="" type="checkbox"/> 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 Franco Manufacturing Co., Inc. C/o Continental Casualty Company P.O. Box 905 Monmouth Junction, NJ 08852-0905 ATTN: DENISE FIRELLI Telephone No. (732) 398-4514			
ACCOUNT OR OTHER NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR: 008965873		THIS SPACE IS FOR COURT USE ONLY	
Check here if this claim replaces Amends a previously filed claim, Dated:			
1. BASIS FOR CLAIMS			
<input checked="" type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other (Describe briefly)		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> 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 10/27/00 – 01/18/02		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.			
<input type="checkbox"/> SECURED CLAIM \$ _____ Attach evidence of perfection of security interest Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other (Describe briefly)		Specify the priority of the claim. <input type="checkbox"/> 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) <input type="checkbox"/> Contributions to an employee benefit plan—11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,500* of deposits toward purchase, lease, or rental of property or services for Personal, family, or household use—11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child—U.S.C. § 507 (a)(7) <input type="checkbox"/> Taxes or penalties of governmental units—11 U.S.C. § 507(a)(7) <input type="checkbox"/> 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.	
Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ _____ <input checked="" type="checkbox"/> UNSECURED NONPRIORITY CLAIM \$720,561.24 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. <input type="checkbox"/> UNSECURED PRIORITY CLAIM \$ _____			
CLAIM AT TIME \$720,561.24 \$ _____ CASE FILED: (Unsecured) (Secured) (Priority)		\$720,561.24 (Total)	
<input type="checkbox"/> Check this box if claim includes charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.			
6. 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.		THIS SPACE IS FOR COURT USE ONLY KP 627 3/18/02 DENISE FIRELLI	
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.			
DATE 3/13/02		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) Denise Firelli Claims Technician	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571			



PHONE (732) 494-0500 D-U-N-S 133-8110
P.O. BOX 10534
NEWARK, NEW JERSEY 07193-0534

DATE 1/25/02

TO:

K MART CORPORATION .
P.O. BOX 7059
KMF INVOICING DEPT.126
TROY MI 48007-7059

ACCT. NO. 00410

PAGE NO. 1

DATE	CD.	REF. NO.	RSN.	CUST. P.O./REF. NO.	STORE	AGE	DEBIT	CREDIT
11/16/00	IN	1170772		080080162	32340	90	42.00	
11/16/00	IN	1171049		080080164	31640	90	38.55	
9/11/01	IN	0911764		151968-APT001	99960	90	10,140.00	*
10/08/01	IN	1070060		151969-APT003	99940	90	12,402.00	
10/08/01	IN	1070067		151984-APT003	99940	90	26,138.10	
11/14/01	IN	1156637		151970-APT002	99980	60	16,926.00	
11/15/01	IN	1100214		080464119	99960	60	16,524.00	*
11/15/01	IN	1100215		080464120	99980	60	11,209.80	*
11/15/01	IN	1159369		151967-APT001	99960	60	2,287.80	
11/15/01	IN	1159373		151970-APT003	99940	60	9,984.00	
11/15/01	IN	1159375		151973-APT001	99960	60	996.60	
11/15/01	IN	1159377		151973-APT004	99900	60	25,368.00	
11/15/01	IN	1159381		151979-APT001	99960	60	1,060.20	
11/15/01	IN	1159383		151979-APT004	99900	60	7,477.20	
12/01/01	IN	1200222		080464126	99900	30	2,815.20	*
12/01/01	IN	1200223		080464127	99960	30	26,097.60	
12/01/01	IN	1200225		080464129	99940	30	22,731.60	
12/01/01	IN	1200226		080464130	99900	30	21,120.60	
12/03/01	IN	1200227		080080369	99980	30	38,898.72	
12/05/01	IN	1200228		080080368	99960	30	52,356.60	
12/05/01	IN	1200229		080080371	99900	30	60,270.72	
12/06/01	IN	1200230		080080370	99940	30	78,819.12	
12/06/01	IN	1200231		080464131	99960	30	14,786.40	
12/06/01	IN	1200232		080464132	99980	30	5,377.20	
12/06/01	IN	1200233		080464133	99940	30	13,476.60	
12/06/01	IN	1200234		080464134	99900	30	13,174.20	
12/12/01	IN	1200235		080464136	99980	30	6,534.00	
12/12/01	IN	1200237		080464137	99940	30	9,966.00	
12/12/01	IN	1200238		080464138	99900	30	10,388.40	
12/13/01	IN	1200239		080464135	99960	30	10,708.20	
12/21/01	IN	1200240		080464139	99960	30	1,161.60	
12/21/01	IN	1200241		080464140	99980	30	823.80	
12/21/01	IN	1200242		080464141	99940	30	2,750.40	

IN INVOICE
CM CREDIT
CB CHARGE BACK
OA ON ACCT.

FA FREIGHT
DA DISCOUNT
SS SHORTAGE
PA PRICING
BA BILLING
AA ADD.
MR MDSE. RET.
UN MISC.

PLEASE PAY THIS AMOUNT ►

CURRENT

31-60 DAYS

61-90 DAYS

OVER 91 DAYS

CONTINUED NEXT PAGE



PHONE (732) 494-0500 D-U-N-S 133-8110
P.O. BOX 10534
NEWARK, NEW JERSEY 07193-0534

DATE 1/25/02

TO:

K MART CORPORATION .
P.O. BOX 7059
KMF INVOICING DEPT.126
TRDY MI 48007-7059

ACCT. NO. 00410

PAGE NO. 2

DATE	CD.	REF. NO.	RSN.	CUST. P.O./REF. NO.	STORE	AGE	DEBIT	CREDIT
12/21/01	IN	1200243		080464142	99900	30	2,811.60	
1/10/02	IN	0100244		080464143	99960	CUR	10,264.80	
1/10/02	IN	0100245		080464144	99980	CUR	9,073.80	
1/10/02	IN	0100246		080464145	99940	CUR	16,446.00	
1/10/02	IN	0100247		080464146	99900	CUR	15,013.80	
1/16/02	IN	0100248		080080373	99980	CUR	6,155.52	
1/18/02	IN	0100249		080080372	99960	CUR	12,853.38	
1/18/02	IN	0100250		080080374	99940	CUR	13,225.14	
1/18/02	IN	0100251		080080375	99900	CUR	10,744.02	
STATEMENT								

IN INVOICE
CM CREDIT
CB CHARGE BACK
OA ON ACCT.

FA FREIGHT
DA DISCOUNT
SS SHORTAGE
PA PRICING
BA BILLING
AA ADD.
MR MDSE. RET.
UN MISC.

PLEASE PAY THIS AMOUNT ► 629,439.27

CURRENT

31-60 DAYS

61-90 DAYS

OVER 91 DAYS

93,776.46

395,068.56

91,833.60

48,760.65



PHONE (732) 494-0500 D-U-N-S 133-8110

P.O. BOX 10534

NEWARK, NEW JERSEY 07193-0534

DATE 1/25/02

TO:

KMART CORPORATION
3100 W. BIG BEAVER

ACCT. NO. 00411

TRDY

MI 48084

PAGE NO. 1

DATE	CD.	REF. NO.	RSN.	CUST. P.O./REF. NO.	STORE	AGE	DEBIT	CREDIT
10/27/00	IN	1041573		7836125	00020	90	590.40	
2/22/01	IN	0283627		220019326	93260	90	33.30	
4/03/01	IN	0469842		151646	98180	90	213.00	
5/04/01	IN	0566697		022801-4488	44880	90	43.47	
7/19/01	IN	0782820		7063829	38290	90	168.30	
7/19/01	IN	0782821		7063972	39720	90	56.10	
7/19/01	IN	0782822		7067413	74130	90	56.10	
8/21/01	IN	0867440		152878	43310	90	91.80	
STATEMENT								

IN INVOICE
CM CREDIT
CB CHARGE BACK
OA ON ACCT.

FA FREIGHT
DA DISCOUNT
SS SHORTAGE
PA PRICING
BA BILLING
AA ADD.
MR MDSE. RET.
UN MISC.

PLEASE PAY THIS AMOUNT ► 1,252.47

CURRENT

31-60 DAYS

61-90 DAYS

OVER 91 DAYS

.00

.00

.00

1,252.47



PHONE (732) 494-0500 D-U-N-S 133-8110
P.O. BOX 10534
NEWARK, NEW JERSEY 07193-0534

TO:

KMART CORPORATION
3100 W BIG BEAVER ROAD
DC INVOICING DEPT
TROY MI 48084-3163

DATE 1/25/02

ACCT. NO. 00412

PAGE NO. 1

DATE	CD.	REF. NO.	RSN.	CUST. P.O./REF. NO.	STORE	AGE	DEBIT	CREDIT
12/11/01	IN	1227792		08273672870	82730	30	3,159.00	
12/11/01	IN	1227794		08290359430	82900	30	5,670.00	
12/13/01	IN	1235155		08287410485	82870	30	22,599.00	
12/13/01	IN	1235156		08288361630	82880	30	8,707.50	
12/13/01	IN	1235157		08303406933	83030	30	22,558.50	
12/14/01	IN	1236137		08298431571	82980	30	27,175.50	
STATEMENT								

IN INVOICE
CM CREDIT
CB CHARGE BACK
OA ON ACCT.

FA FREIGHT
DA DISCOUNT
SS SHORTAGE
PA PRICING
BA BILLING
AA ADD.
MR MDSE. RET.
UN MISC.

PLEASE PAY THIS AMOUNT ► 89,869.50

CURRENT

31-60 DAYS

61-90 DAYS

OVER 91 DAYS

.00

89,869.50

.00

.00



INSURANCE IN TOUCH WITH BUSINESS

PO Box 905 Monmouth Junction NJ 08852-0905

Denise Firelli

Claims Technician

Telephone 732-398-4514

Facsimile 732-398-5232

March 13, 2002

Kmart Corporation
C/o Trumbull Services
PO Box 426
Windsor, CT 06095

Re: Continental Casualty Co. As Agent for:
Franco Manufacturing Co., Inc.

Vs: Kmart Corporation
Case #02- B 02474
Our file #008965873

Dear Clerk:

We insure the accounts receivable of the captioned creditor by virtue of a Policy of Credit Insurance. We are enclosing our insured's executed proof of claim in duplicate together with supporting documentation. Please acknowledge receipt of this filing by stamping & returning the duplicate claim form in the enclosed postage paid envelope. Our address should be used in all future correspondence.

Sincerely yours,

Denise Firelli

Enc.