FORM B10 (Official Form 10) 0236792

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

PROOF OF CLAIM
Chapter 11

In Re Kmart Corporation, et al. | **Case Numbers 02-02462 through 02-02499**

Name of Debtor (see attached for complete list of debtors): Kmart Corporation

Case Number: 02-02474

Your claim is scheduled as follows:

Class

NOT SCHEDULED

Amount

NOT SCHEDULED

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)

08 3426366

WEBSTER, LOIS
1117 FIVE FORKS RD
ANDERSON, SC 29621

☐ 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.

If address differs from above, please complete the following:
Creditor Name

Address

City St/Zip

Telephone # 864-261-4734

11705274

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Account or other number by which creditor identifies debtor

Check here if this claim ☐ replaces ☐ amends a previously filed claim, dated

1 Basis for Claim
☐ Goods sold
☐ Services performed
☐ Money loaned
☐ Personal injury/wrongful death
☐ Taxes
☐ Other
☒ Retiree benefits as defined in 11 U.S.C. §1114(a)
☐ Wages, salaries, and compensation (fill out below)
Your SS #
Unpaid compensation for services performed
from (date) to (date)

2. Date debt was incurred: Aug 31, 1991

3. If court judgment, date obtained:

4. Total Amount of Claim at Time Case Filed: $ _____
If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.
☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.
☐ Check this box if your claim is secured by collateral (including a right of setoff).
Brief Description of Collateral
☐ Real Estate ☐ Motor Vehicle ☐ Other
Value of Collateral $
Amount of arrearage and other charges at time case filed included in secured claim, if any $

6. Unsecured Priority Claim.
☐ Check this box if you have an unsecured priority claim
Amount entitled to priority $ _____
Specify the priority of the claim.
☐ Wages, salaries, or commissions (up to $4,650), earned within 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 $ 2,100 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 - 11 U.S.C. § 507(a)(7).
☐ Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
☐ Other. Specify applicable paragraph of 11 U.S.C. § 507(a)( ).

7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. Date-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.

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CL 4542

4-15-02

Date: 4/11/02

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)
Lois E. Webster

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.

K MART CORPORATION
INTERNATIONAL HEADQUARTERS
3100 W BIG BEAVER RD.
TROY, MICHIGAN 48084

DONALD L. MORFORD
DIRECTOR OF EMPLOYEE BENEFITS

JOHN S NORDBERG
SENIOR MANAGER
WELFARE BENEFIT PLANS

JEFFREY J. SZABO
SENIOR MANAGER
PENSION AND SAVINGS PLANS

WEBSTER, LOIS E
1117 FIVE FORKS RD
ANDERSON SC29621

AUG 2 1 1991

Re. Retirement Pension Plan

421-52-9381

Dear WEBSTER, LOIS E

The Company's pension records indicate that at the time of your termination of employment on 06/01/88 you had fulfilled the requirements for a Vested Benefit in the K mart Corporation Employees Retirement Pension Plan

The amount of your monthly pension benefit payable at your Normal Retirement Date on 01/01/04 is $ 107.26 . This amount is based on a Life income form of payment and assumes that your birthdate is 12/18/38 as shown on Company records and subject to confirmation at the time you retire.

Should you wish to receive payment of your vested pension benefit before your Normal Retirement Date, you may make application at any time after age 55. In such case, the amount of your pension will be reduced to make up for the longer period for which your pension would be paid. The amount of reduction is determined by your age at that time, the form of payment you elect, and the pre-retirement survivor coverage (if any)

NORMAL FORM OF PAYMENT

Unless you elect one of the optional forms of payment described in this letter, your pension will be paid on a life income basis with payments continuing for your lifetime only.

(a) If you are unmarried at the time of your normal or early retirement, your pension will be paid on a life income basis with payments continuing for your lifetime only

(b) If you are married at the time of your normal or early retirement, your pension will be paid under the 50% Joint & Survivor form of payment.

Under this form of payment your pension will be reduced to 86% if the regular amount--further reduced by 1% of the regular amount for each full year by which the age of your spouse is less than your age or increased by 1% of the regular amount for each full year (but not more than 10 years) by which the age of your spouse exceeds your age

January 22, 2002

Dear Kmart Retiree or Terminated Vested Participant:

Today, Kmart made a difficult but necessary decision. After reviewing all the possible ways to deal with some tough operational and financial issues, we have filed for a court-supervised reorganization under chapter 11 of the U.S. Bankruptcy Code.

A chapter 11 filing will help us to resolve our financial challenges and make a fresh start. Through the bankruptcy process, Kmart will reorganize its finances and operations to reduce or eliminate our debt. We have secured a $2 billion debtor-in-possession (DIP) financing package arranged by JP Morgan Securities Inc. and Fleet Securities, Inc. to supplement the Company's existing cash flow during the reorganization process.

You probably want to know how this impacts you personally. First and foremost, you should know that ***the filing under chapter 11 does not mean that we are going out of business. We are not.*** And more importantly, this filing will not disrupt your Kmart Retirement Pension Plan benefits. Rather, you will continue to receive (or be eligible to receive if you are a terminated vested participant) your pension benefits.

The Company's qualified pension plan is maintained separately from the Company and is protected under federal law. The plan will continue to operate in the normal manner. Likewise, if you continue to have savings under the Retirement Savings Plan they are maintained in trusts that are separate from the Company, and are also protected by federal law. Shares of Kmart stock held in the plan are, however, subject to the same market conditions as those affecting all common stockholders.

Our goal is to get this chapter 11 process done as smoothly, efficiently, and successfully as possible. We are pursuing this reorganization on a fast track and have targeted emergence from chapter 11 in 2003. You can obtain information about Kmart's progress in the chapter 11 process at www.kmart.com.

If you have any questions, please call our associate hotline at 1-877-638-8856. You can also contact 1-800-33-KMART for specific information about your retirement benefits.

Sincerely,

Charles C. Conaway
Chief Executive Officer