

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

Your claim is scheduled as follows:

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

Case Number:

Class

Kmart Corporation

02-02474

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.

Amount

Name of Creditor (The person or other entity to whom the debtor owes money or property):

- 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.

NOT SCHEDULED

08 3396037

MILLER, BARBARA
2110 SHILOH
PARIS, TX 75460

11674945

If address differs from above, please complete the following:

Creditor Name:

Telephone: #

Address:

903 784-3758

This Space is for Court Use Only

City/ST/Zip:

Account or other number by which creditor identifies debtor:

Check here if 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 _____ to 10-9-91
(date) (date)

2. Date debt was incurred:

3. If court judgment, date obtained:

4. Total Amount of Claim at Time Case Filed:

\$ 72.71 per month see attached copy

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.

This Space is for Court Use Only

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.

CL 4889

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.

4-12-02

Date

4-9-02

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)

Barbara Miller Barbara Miller

Donald L. Morford
Director
Employee Benefits

Jeffery J. Szabo
Assistant Director
Employee Benefits



Kmart Corporation
International Headquarters
3100 West Big Beaver Road
Troy MI 48084-3163
313 643 1681
Fax 313 637 4891

December 15, 1993

Ms. Barbara J. Miller
2110 Shiloh
Paris, TX 75460

RE: Kmart Corporation Employee
Pension Plan
S.S.# 458-70-5368

Dear Ms. Miller:

At the time of your termination of employment on 10/09/91, you had met the requirements for a vested benefit under the Kmart Corporation Employee Pension Plan.

The amount of your pension benefit payable on 06/01/2009, your Normal Retirement Date, is \$72.71 per month. This amount is based on a Life Income form of payment and a birth date of 05/07/44. You must verify your birth date when you retire.

The benefit amount stated above was calculated based on data shown on Company records; this data will be reviewed prior to actual benefit commencement. If this information is not in compliance with Plan provisions and your benefit amount has been incorrectly stated, the benefit amount you are actually entitled to under the Plan, if any, will be payable.

If you wish to receive your vested pension benefit before your Normal Retirement Date, you may apply at any time after age 55. The amount of your vested benefit will be reduced if payments begin before your Normal Retirement Date or if you elect a form of payment other than Life Income. Your benefit will also be reduced for any pre-retirement survivor coverage. The reduction is based on your age at the time you retire, the form of payment you elect and how many months the pre-retirement survivor coverage was in effect.

NORMAL FORM OF PAYMENT

Unless you elect an optional form of payment, your pension benefit will be paid as follows:

If you are single, widowed or divorced when you retire, your pension will be paid to you under the Life Income form of payment. Your pension benefit will be paid for your lifetime and will end when you die.

NORMAL FORM OF PAYMENT (continued)

If you are married at the time of your retirement, your pension will be paid under the 50% Joint and Survivor form of payment. You will receive a reduced monthly benefit for as long as you live. When you die, your surviving spouse will receive 50% of your benefit, provided you had been married for at least one year at the time of your death. The survivor benefit will be paid for your spouse's lifetime and will end when he/she dies.

With your spouse's written consent, you may elect to receive your pension under the Life Income form of payment instead of the 50% Joint and Survivor form of payment. To do this, you must advise us in writing at least 30 days, but no more than 90 days, before your retirement date.

OPTIONAL FORMS OF PAYMENT

Instead of the Normal Form of Payment (Life Income or 50% Joint and Survivor form of payment), you may elect any of the following optional forms of payment. Your election must be made in writing at least six (6) months before your retirement date. If you are married, your spouse must consent in writing to your election.

- A 100% Joint and Survivor form of payment. (Available only for married participants.)
- A Social Security Leveling Option. (Available only for early retirement. The six (6) month waiting period must be completed before you reach age 62.)
- A 10 Year Certain & Life Option.

Each of these optional forms are fully explained in the Plan booklet. Further information and the amounts payable under each optional form may be requested by writing to the Benefits Department, Pension Section, Kmart Corporation, 3100 West Big Beaver, Troy, Michigan 48084-3163.

PRE-RETIREMENT SURVIVOR COVERAGE

The pre-retirement survivor coverage is automatic if you are married. Your benefit is reduced 3/10 of 1% per year (1/40 of 1% per month) to provide this coverage.

If you die before you retire, your surviving spouse will be eligible to receive a pension benefit under the 50% Joint and Survivor form of payment, provided you had been married for at least one year at the time of your death. If you die after you have reached age 55, the survivor pension may begin as early as the first of the month following your death or your spouse may choose a later date. If you die before you reach age 55, the survivor pension will begin on the first of the month following the date you would have reached age 55 or any later date selected by your spouse.

You may waive this pre-retirement survivor coverage, but if you waive it and die before retiring, no pension will be payable to your surviving spouse. If you do waive this coverage, you may reinstate it at any time. If you want to waive the pre-retirement survivor coverage, you must notify our office in writing. We will then send you the waiver form.

HOW TO BEGIN YOUR BENEFIT

Please write to the Pension Section at least three months before you wish your pension benefit to begin. All requests for information must include your name, address, telephone number, Social Security number, marital status and requested retirement date. If you are married, please also include your spouse's birth date.

Your pension records will be kept at the Kmart Corporation Headquarters. It is very important that you notify this office if your name or address changes.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Mayford". The signature is written in black ink and is positioned below the word "Sincerely,".



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,

A handwritten signature in black ink, appearing to read 'Charles C. Conaway', written in a cursive style.

Charles C. Conaway
Chief Executive Officer