FORM B10 (Official Form 10) 4039342

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)

Case Number:

Your claim is scheduled as follows

Class

UNSECURED NON PRIORITY

Amount

$61,489 70

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)

11 2300937

SPECTRA
ACCTS REC
PO BOX 7247 7414
PHILADELPHIA, PA 19170

☐ 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 # 312 583 - 5100

10568808

This Space is for Court Use Only

Account or other number by which creditor identifies debtor 1011275

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 SOFTWARE LICENSES

☐ 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: 12 31 01

3. If court judgment, date obtained:

4. Total Amount of Claim at Time Case Filed: $ 61 489 70
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

This Space is for Court Use Only

RECEIVED
TRUMBULL SERVICES COMPANY
APR 24 2002
BANKRUPTCY
4-24-02
#10697 CK.

Date 4-19-02

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)

Thomas J. Gallagher EXEC. V.P. FINANCE

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

SPECTRA
(DUNS NUMBER: 00-052-7663)

Kmart Corporation DUNS NO. 0000-896-5873

BANK NO: 12
CHECK DATE : 03/04/2002
CHECK NUMBER: 005007685
CHECK AMOUNT: 311,210.30

* 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.
8534	10077	PR	1/21/02		223,655.80	.00		530
8534	5453	PR	1/21/02		87,554.50	.00		530

DOCUMENT TOTAL	DISCOUNT TOTAL	1099 WTAX TOTAL	NET AMOUNT
311,210.30	.00	.00	311,210.30

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

DATE	BOX	BATCH #	SEQ.	OPID	DDA #
03-11-02	7414	1741493	1	01 11	1155 40674843

CITIBANK DELAWARE
Form 82
TO REORDER, CALL 877-485 7600

BIG K Super K Kmart Corporation
74-478/"24
CHECK NUMBER: 0050071185

PAY : THREE HUNDRED ELEVEN THOUSAND TWO HUNDRED TEN AND 30/100 DOLLARS

TO THE ORDER OF
SPECTRA
PO BOX 7247 7414
PHILADELPHIA PA 19170

CHECK DATE	CHECK AMOUNT
03/04/2002	****311,210.30

COMERICA BANK & TRUST, N.A
ANN ARBOR, MI

VOID AFTER 6 MONTHS

AUTHORIZED SIGNATURE (SIGNATURE LINE CONTAINS KMART LOGO)

THIS DOCUMENT IS PRINTED IN BLUE INK AND CONTAINS SECURITY FEATURES ON BOTH SIDES. DO NOT ACCEPT UNLESS THESE SECURITY FEATURES ARE PRESENT

⑈005007685⑈ ⑆072404786⑆ 2476965339⑈ ⑈0031121030⑈

1011275

10077 1/20/02 0-30 <36 344 20>
5453 11/30/01 31-60 <25,145 50>
SHORT

INVOICE : 005453

Remit Payment to.
Spectra
P.O. Box 7247-7414

Philadelphia, PA 19170-7414

Customer No: 00000185

Invoice Date: 30-NOV-2001

Bill to:
Phil McGee
K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084-

Ship to:
Phil McGee
K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084-

Phone: (248) 463-6317
Fax: (248) 643-1279

Purchase Order:
Salesperson: KEITH CLARK

Order Date	Order Number	Product Code	Description	Price
11/10/01	F0001766	Enlighten Strategic Channel Database		112700.00

*** Installment 1 of 1 ***

Subtotal	112700.00
Sales Tax	0.00
Freight/Misc	0.00
Invoice Total	112700.00

Please include this Remittance Advice with payment

Invoice Number: 005453
Due Date: 30-DEC-2001
Invoice Amount: 112700.00

Amount Remitted: _____

Customer No: 00000185
Phil McGee
K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084-

Remit Payment to:

Spectra
P.O. Box 7247-7414

Philadelphia, PA 19170-7414

Spectra
intelligent targeting™

P.O. Box 7247-7414
Philadelphia, PA 19170-7414

Invoice COPY

Date	Invoice
01/28/02	10077

BILL TO K-Mart Corporation
Bob Woodard
3100 West Big Beaver Road
Troy, MI 48084
USA

SHIP TO K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084
USA

Federal Tax ID # 36-3580291

CLIENT #	TERMS	CLIENT REF #	P O #		SALES OFFICE
1011275	Net 30 Days				RETAIL

Period	Description	Taxable	Net Fee
	Charges for Spectra Services		260,000.00
	Spectra Reference No. S10029		
	Retail EnLighten License		

Questions about this document call 312-583-5100

INVOICE AMOUNT: 260,000.00

INVOICE : 005453

Remit Payment to:
Spectra
P.O. Box 7247-7414

Philadelphia, PA 19170-7414

Customer No: 00000185

Invoice Date: 30-NOV-2001

Bill to:
Phil McGee
K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084-

Ship to:
Phil McGee
K-Mart Corporation
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Phone: (248) 463-6317
Fax: (248) 643-1279

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*** Installment 1 of 1 ***

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Please include this Remittance Advice with payment

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Due Date: 30-DEC-2001
Invoice Amount: 112700.00

Amount Remitted: _____

Customer No: 00000185
K-Mart Corporation
Phil McGee
3100 West Big Beaver Road
Troy, MI 48084-

Remit Payment to:

Spectra
P.O. Box 7247-7414

Philadelphia, PA 19170-7414

Spectra

ADDENDUM TO
THE MASTER AGREEMENT

This Addendum between **Market Metrics, Inc./Spectra Marketing Systems, Inc.** (VENDOR) and **Kmart Corporation, Inc.** (CLIENT) is attached to and made a part thereof, the Master Agreement (Agreement) between VENDOR and CLIENT executed December 31, 1996. This Addendum shall have the same binding force and effect on all parties hereto as does the Agreement, and shall take precedence over any and all conflicting or contrary language contained in the Agreement or prior Addenda. VENDOR and CLIENT agree as follows:

1 **Agreement Extensions**: Services shall be continued and/or added as specified below. VENDOR guarantees to provide continuous services and to maintain the agreed upon prices set forth in this Addendum for the term specified.

2. **Products**:

a. **EnLighten™ Strategic Store Channel Databases**
Annual License Fee, based on a three year license: **$112,700**
Add the following store channels to the EnLighten software license:

Channels

- ❑ Convenience Channel
- ❑ Office Supply Channel
- ❑ Do It Yourself (DIY) Channel
- ❑ Automotive Channel
- ❑ Toy/Craft/Hobby Channel
- ❑ Pet Superstore Channel
- ❑ Consumer Electronic Channel
- ❑ Computer Channel
- ❑ Housewares Channel
- ❑ Department Channel
- ❑ Apparel Channel
- ❑ Liquor Channel

b. **License Title and Product Return:** VENDOR shall retain all rights and title to the licensed Products described herein. Upon expiration of this Agreement, CLIENT shall return to VENDOR all licensed Products within five (5) business days.

3. **Effective Date of License: November 10, 2000**

4. **The Expiration Date of the Three Year License Extension: December 29, 2002**

5. **Payment**: Year one Annual Fees shall be invoiced on December 29, 2000 and are payable within thirty (30) days from the Effective Date of License. Subsequent years are due and payable on each anniversary for the term of the Agreement.

6. **Facsimile:** In the event this signed Addendum is transmitted via facsimile, the facsimile copy may be used in all cases as the original. Until such time as the original is received, both parties may act in reliance upon the facsimile version of this Addendum.

7. **Additional Terms and Conditions:** All other terms and conditions of the Agreement remain the same. The terms and conditions of this proposed Addendum are offered and valid until November 30, 2000.

Accepted and Agreed:

SPECTRA
200 West Jackson, Suite 2800
Chicago, IL 60606

Signature

THOMAS J. GALLAGHER EXEC. V.P. FINANCE
Printed Name and Title

12/6/00
Date

Kmart Corporation
3100 W. Big Beaver Road
Troy, MI 48084

Signature

Randy L. Allen - EVP
Printed Name and Title

November 28, 2000
Date

Spectra
intelligent targeting™

Invoice

COPY

Date	Invoice
01/28/02	10077

P.O. Box 7247-7414
Philadelphia, PA 19170-7414

BILL TO K-Mart Corporation
Bob Woodard
3100 West Big Beaver Road
Troy, MI 48084
USA

SHIP TO K-Mart Corporation
3100 West Big Beaver Road
Troy, MI 48084
USA

Federal Tax ID # 36-3580291

CLIENT #	TERMS	CLIENT REF #	P O #		SALES OFFICE
1011275	Net 30 Days				RETAIL

Period	Description	Taxable	Net Fee
	Charges for Spectra Services		260,000.00
	Spectra Reference No S10029		
	Retail EnLighten License		

Questions about this document call 312-583-5100

INVOICE AMOUNT: 260,000.00

Spectra

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THE MASTER AGREEMENT

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1 **Agreement Extensions**: Services shall be continued and/or added as specified below VENDOR guarantees to provide continuous services and to maintain the agreed upon prices set forth in this Addendum for the term specified.

2. **Products**:

a. **EnLighten™ License Extension**
Annual License Fee based on a three-year license: **$210,000**

b. **Localizer License Extension**
Localizer was provided in 1999 at *no charge* with the On-Site Manager, as per agreement of April 15, 1998.
Beginning in December 1999 there will be an annual charge: **$50,000**

TOTAL ANNUAL FEES: $260,000

c. **License Title and Product Return: VENDOR** shall retail all rights and title to the licensed Products described herein. Upon expiration of this Agreement, CLIENT shall return to VENDOR all licensed Products within five (5) business days

3. **Effective Date of License: December 30, 1999**

4. **The Expiration Date of the Three Year License Extension: December 29, 2002**

5. **Payment**: The total Annual Fees are due and payable within thirty (30) days from the Effective Date of License. Subsequent years are due and payable on each anniversary for the term of the Agreement.

6. **Facsimile**: In the event this signed Addendum is transmitted via facsimile, the facsimile copy may be used in all cases as the original. Until such time as the original is received, both parties may act in reliance upon the facsimile version of this Addendum.

7. **Additional Terms and Conditions**: All other terms and conditions of the Agreement remain the same.

The terms and conditions of this proposed Addendum are offered and valid until November 30, 1999

Accepted and Agreed:

SPECTRA
200 West Jackson, Suite 2800
Chicago, IL 60606

Signature

Printed Name and Title

Date

Kmart Corporation
3100 W. Big Beaver Road
Troy, MI 48084

Signature

JOE OSBOURN - CIO
Printed Name and Title

12/30/99
Date

MARKET METRICS, INC.

ENLIGHTEN SOFTWARE LICENSE AND LIMITED WARRANTY

FOR

KMART CORPORATION

DEFINITIONS

The words "you" and "your" refer to the Customer, whether an individual, partnership or corporation. The words "we," "us" and "our" refer to Market Metrics.

The word "License" refers to the Enlighten Software provided by Market Metrics.

"Store" means a retail grocery store, chain drug and mass volume discount retailer. In the case of a grocery store, it will have an annualized gross revenue of $2 million or more.

This License applies only to those Software Products which meet the following definition.

> "Software Products," as used in this License, are only those Enlighten Software Products listed under "Software Products" in Schedule I of this License and the associated Market Metrics data bases. "Software Products" refers to not only the software and data bases, but also to any modifications, updates or corrections and any related manuals and documentation, furnished to you by us.

LICENSE

We agree to grant to you and you agree to accept a personal, nonassignable and nonexclusive License to use the Enlighten Software Product under the terms and conditions outlined in Schedule I. You will receive a number of copies of the Software Product adequate to meet your business needs. These copies may be a combination of standalone and networked versions of the Software Product. This License commences upon execution by both you and us. This License shall renew under terms and charges mutually agreed to by both parties. Each copy of the Enlighten Software has a serial number and this License applies only to that serial-numbered copy. This License authorizes you to use the Enlighten Software only for your own internal use unless stated differently in Schedule I.

OUTSIDE AGENCIES

We will provide your advertising and direct mail agencies with copies of the Enlighten Software Product for their use only on Kmart-related business activities. These copies will be provided at no charge to the agencies and will be provided subject to the terms of individual Licenses signed by each agency.

PROPRIETARY RIGHTS, CONFIDENTIALITY

You may not copy the software from the Enlighten workstation to any other computer hard disk or other permanent electronic storage device without prior approval from Market Metrics. Such approval will not be unreasonably withheld. You agree that the Software Products and related documentation are our property and are proprietary in nature. The Software Products may be disclosed only to those of your employees who have a need to know. You agree to keep the Software Products confidential and to protect them from unauthorized disclosure, use or copying. You will not reverse assemble or reverse compile Software Products.

You understand that the confidentiality and proprietary nature of the Software Products are critical to us, and your breach of the provisions of this License will cause us great harm, including lost profits and other damages impossible to measure. If any unauthorized copy of any part of the Software Products is made or used in violation of this License, we shall have the right to obtain an injunction against the unauthorized copying or use. Nothing in this License shall bar our right to obtain specific performance of the provisions of this License and injunctive relief against threatened conduct that will cause irreparable harm, loss or damage under applicable law.

We agree to treat any information you identify to us as confidential information with the same degree of care that we treat our own and our other customers' confidential or proprietary information of similar nature. You agree that the obligations of this Paragraph do not extend to any information which is now or hereafter may be in the public domain by acts not attributable to us.

OWNERSHIP

The media containing the Software Products and any related documentation which we furnish to you remain our property and are loaned to you for the term of the License of the Software Product.

TERMINATION

The License may be terminated by either party upon a breach of this Agreement by the other party that is not cured after written notice. The breaching party shall cure the breach within fifteen days.

Upon termination you shall not thereafter use, disclose or market in any fashion the Software Product and within fifteen days of such termination you shall return to us the Software Products in good condition, normal wear and tear excepted.

Kmart shall have the option to terminate this agreement for any reason after providing Market Metrics with 60 days written notice of such intent.

LIMITED WARRANTY

A. We warrant for a period of 30 days from shipment or delivery of a Software Product to you that the media (for example, the Enlighten disk) on which it is contained will be free from defects in materials and workmanship under normal use.

THE EXPRESS WARRANTY STATED ABOVE IS IN PLACE OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL SUCH OTHER WARRANTIES ARE DISCLAIMED AND EXCLUDED BY US.

This warranty gives you specific legal rights; you may also have other rights which vary from state to state.

B. Your sole and exclusive remedy for breach of any warranty and your sole remedy or our liability of any kind (including liability for our negligence) with respect to the Software Products and all other performance or nonperformance by us or our agents shall be limited to the following remedy:

If you return a Software Product to us within the 30-day warranty period stated above, you will have the right, at our option, to either:

(i) receive replacement of the defective material; or

(ii) receive a refund of the amount paid by you for such Software Product.

C. IN NO EVENT SHALL EITHER PARTY'S LIABILITY OF ANY KIND INCLUDE ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND DAMAGES FOR LOST DATA OR PROFITS, ARISING OUT OF THE USE OF OR INABILITY TO USE THE SOFTWARE PRODUCTS, EVEN IF EITHER PARTY HAS KNOWLEDGE OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.

Some states do not allow the exclusion or limitation of special, incidental or consequential damages, so the above limitation may not apply to you.

PATENT, COPYRIGHT, WARRANTY AND INDEMNITY

We will defend, or we will have a third party defend, any suit brought against you based on a claim that the Software Product furnished under this License infringes any patent or copyright of the United States, if notified promptly in writing of any claim of infringement and given authority, information, and assistance (at our expense) to handle the claim in the defense of the suit or proceeding, and will pay all damages and costs awarded against you. If there is a claim, or if in our opinion a claim is likely to occur, you agree to permit us, at our expense and at our option, either to procure for you the right to continue using the Software Product or any part of it, or replace it with a non-infringing product, or modify it so it becomes non-infringing product, or terminate the License at no cost to you except for charges accrued until the Software Product is removed.

We have no obligations or liability under this Section for any claim based on the use of the Software Product or parts of it with software not delivered by us or when used in a manner for which it was not designed or were modified by or for you in a manner to become infringing.

THIS SECTION STATES THE PARTIES' ENTIRE LIABILITY WITH RESPECT TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF ANY KIND.

GOVERNING LAW

This License shall be governed by the laws of the State of Michigan.

ASSIGNMENT

Neither party may assign or otherwise transfer its rights or obligations under this License. Any prohibited assignment will be void.

ENTIRE AGREEMENT

The terms and conditions of this License prevail regardless of any other terms and conditions of any order or other document submitted by you. This License may not be changed except by written amendment signed by authorized representatives of both you and us. This License supersedes all prior oral or written proposals and communications related to this License between you and us. You acknowledge that you have not been induced to enter into this License by any representations or statements, oral or written, not contained in this License.

Market Metrics, Inc.:

By _____
(Authorized Signatory)

Its DIRECTOR - RETAILER SALES

Date NOVEMBER 14, 1996

KMART CORPORATION:

By _____
(Authorized Signatory)

Its Vice President Advertising & Marketing

Date 12/31/96

SCHEDULE 1

A. ENLIGHTEN SOFTWARE LICENSE: A three (3) year Enlighten Software License.

B. COVERAGE: Enlighten's Databases

There are six (6) major databases included in Enlighten.

1. Stores

Grocery Stores	Approximately 27,000
Chain Drug Stores	Approximately 19,000
Mass Volume / Discount Retailer	Approximately 9,500
Total Stores	Approximately 55,500

a. Store Facts

Included in the store database are 70 audited store facts for grocery stores and limited facts for all other classes of trade.

Customer agrees to annually audit store facts on all Kmart-supplied stores and to modify or add data as needed to maintain the accuracy of the database. In addition customer will advise us on all new store openings and closings as promptly as possible.

b. Trade Areas

Trade Areas are created for every store. Each trade area has been calculated using a proprietary model, assessing shopper choice of store as a function of drive time, store format, drive-by interactions and competitive effects for every store in the database.

2. Geography

Kmart's Enlighten system will include all counties in all states in the continental United States.

3. Consumer Profiles

The Enlighten system will contain all available Consumer Profiles by category, sub-category and brand available through A.C. Nielsen's Household Services listed in Schedule IV.

4. Life Style and Media Information as available through Mediamark Research and Scarborough.

5. Maps

The following six (6) types of maps are available in the system.

- Buying office Trade Area Maps
- Store Census Maps by Chain
- Store Trade Area Maps
- Brand Opportunity by Market
- Brand Opportunity by Account
- Brand Opportunity by Store

C. ANNUAL FEES

Enlighten is licensed under a three (3) year contract. The annual license fee for a 50-user networked system is:

License Components		
Stores		$ 165,213
Enlighten License		$ 35,000
TOTAL		$ 200,213
Multi-user (network) access:		TBD
51-150 Users	$250 each	
151-300 Users	$200 each	
Over 300 Users	$250 each	

Reasonable and documented travel and lodging expenses incurred as a part of onsite consulting and support visits will be reimbursed at our cost.

D. DELIVERY DATE

Delivery and installation is available within four (4) weeks after contract signing.

E. TERMS OF PAYMENT

Fifty percent of contract amount due upon contract signing; Fifty percent due in February 1997. One hundred percent of contract amount due on February 15 in successive years.

F. INSTALLATION, TRAINING AND SUPPORT

Initial delivery is to be made on three laptop computers properly configured and pre-loaded with the software necessary to run the Enlighten Software Product. Upon delivery these computers will become the property of Kmart and Kmart will be responsible for any necessary maintenance or repairs to these computers.

Market Metrics will provide 10 days of initial and annual training to Kmart-designated users at one central location at no additional cost other than reasonable and documented travel and lodging expenses. Local training, or additional training for selected users above the annual 10 days will be billable at $1,000 per day, plus reasonable and documented travel, lodging and meal expenses, upon Kmart's request.

Additional training is available in Market Metrics' Lancaster office at no charge to Kmart upon Kmart's request.

Client Help Line support is available through an 800 number between 8:00 a.m. and 7:00 p.m. EST, Monday through Friday, excluding holidays, at no additional charge to Kmart.

G. UPDATES OF DATA BASES

Store data is updated quarterly, Demographic and Consumer Profile data is updated annually. More frequent updates may occur when appropriate.

H. THE LICENSE INCLUDES THE FOLLOWING REPORTS:

Demographic Report provides simple but business-like and graphical perspectives about stores, markets or accounts, etc., and the people they serve.

Compare/Contrast Report evaluates how similar or dissimilar a set of subjects are to each other (products, ZIP codes, stores, etc.)

Population Growth shows historical and projected growth for any trade or geographical subject of interest.

Trade Facts provides physical data on any store set or account set, along with important comparisons to other stores or accounts which the user may specify.

Trade Area Report details the source of any store or account's revenues. This report shows penetration by "geounit" (either block group, tract or ZIP code according to user interest). Per capita dollars, share and cumulative share, distance and bearing data are also supplied. A list of each competitor and his respective share of contested dollars by geounit is also provided. Retailers are provided with a Quick Map for each owned store.

In-Store Promotion Planner assists in determining the best use of in-store promotion budgets reflecting product potential, a store's demographics, and the availability of in-store promotional programs for any group of stores.

The database details the availability of in-store media and promotional programs from ActMedia (ActNow, AisleVision, Carts, Instant Coupon Machine, and ACTRadio), Valassis In-Store Marketing, Catalina Marketing Corp., ems, APT, Indoor Media Group, ARM.

Product Potential I identifies the best markets, accounts, stores, ZIP codes, tracts or block groups for any of nearly 15,000 brands or categories compared to a user specified reference.

Product Potential II examines a number of different products for a single store, account or market to determine which are most and least attractive, based upon both measures of buying rate and penetration.

Allocator provides a method for determining the optimum amount of product to be allocated to an account or store based upon its trade area demographics and a measure of volume. It also specifies feasible pack sizes, minimum and maximum allocations as well as other practical rules for limiting amounts being allocated.

Store Interaction Report identifies how one chain or set of stores really interacts with another one. "Interaction" can be measured by either contested dollars, driving time or distance.

Performance Review compares actual store movement information to potential movement information to provide information on how well stores are performing against their potential.

Cluster Merchandiser groups stores based on their similarity to each other and to the key demographic characteristics of a product brand, subcategory or category, and provides detailed overviews of the stores that comprise each cluster, as well as the products that are being studied.

Spectra Lifestyle/Lifestage Consumer Targeting Grid allows users to segment households within trading areas on the basis of neighborhood type (Lifestyle) and demographics (Lifestage). There are 9 Lifestyles, ranging from Upscale Suburbs to Downscale Urban. There are 6 Lifestages, based on the age of the female head of household and presence or absence of children.

Scarborough Local Consumer Shopping Behavior Data provide enhanced insights into consumer behavior at the local market level, derived from local surveys carried out annually in markets across the country. This information can be used to link shoppers and media outlets to determine the most efficient media channels for specific groups of shoppers.

Circular Trade Area Report allows the user to determine demographics and competition for any site by entering a latitude/longitude coordinate or by locating the site on a map of the area.

SCHEDULE II

HARDWARE/OPERATING SYSTEM REQUIREMENTS

Item	Description
CPU:	90mhz or faster Pentium processor
Video:	SVGA
Memory:	16 Megabytes
Hard Disk:	2.1 GB
Floppy Drive:	3.5 Inch (1.44 Megabyte)
CD ROM:	Quad - speed or better
Bus:	PCI interconnect
Monitor:	SVGA

DOS 6.2
Windows 3.1, 3.11 or Windows 95

ASSIGNMENT

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Market Metrics, Inc.:

By _____
(Authorized Signatory)

Its DIRECTOR - RETAIL SALES

Date NOVEMBER 14, 1996

KMART CORPORATION:

By Larry C. Davis
(Authorized Signatory)

Its VP ADV

Date DECEMBER 31, 1996