

Claims

Classification of Claims and Interest

Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Interest in the Debtors. A Claim or Interest is placed in a particular Class for the purposes of voting on this Plan and of receiving distributions pursuant to this Plan only to the extent that such Claim or Interest is an Allowed Claim or an Allowed Interest in that Class and such Claim or Interest has not been paid, released or otherwise settled prior to the Effective Date. In accordance to section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims of the kinds specified in sections 507(a)(1) and 507(a)(8) of the Bankruptcy Code have not been Classified and their treatment is not set forth in Article II above. This Plan, though propose jointly, constitutes a separate plan proposed by each of the Debtors. Therefore, except as expressly specified herein, the Classifications set forth below shall be deemed to apply separately with respect to each plan proposed by each such Debtors. Each Class for each Debtor is identified by the designation "DD-NN," where "DD" is the abbreviation for the name of each Debtor as specified on pages 2 and 3 of the Plan, and "NN" is the class number as identified below. Thus, for example, the class of Secured Claims (Class 1), if any, against Kmart of Michigan, Inc., is identified by the designation "KM-MI-1."

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3.1 Class 1 consist of separate subclasses for all Secured claims that may exist against a particular Debtor.

3.2 Class 2. Class consists of all Other Priority Claims that may exist against a particular Debtor.

3.3 Class 3. Class 3 consists of all Prepetition lender Claims. This Class is applicable only to the Chapter 11 Cases of the following Debtors: Kmart, Kmart Amsterdam, Kmart Holdings, Kmart-IN, Kmart-MI, Kmart-MPS, Kmart-NC, Kmart-PA, Kmart-TX, Big Beaver Cargas, Big Beaver Development, Big Beaver Florida, Big Beaver Guaymas, BlueLight, and SFPR.

3.4 Class 4. Class 4 consists of all Prepetition Note Claims. This Class is applicable only to the Chapter 11 Case of Kmart.

3.5 Class 5. Class 5 consists of all Trade Vendor/Lease Rejection Claims that may exists against a particular Debtor.

3.6 Class 6. Class 6 consists of all Other Unsecured Claims that may exists against a particular Debtor.

3.7 Class 7. Class 7 consists of all General Unsecured Convenience Claims that may exists against a particular Debtor.

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3.8 Class 8. Class 8 consist of all Trust Preferred Obligations. This Class is applicable only to the Chapter 11 Cases of the following Debtors: Kmart and Kmart Financing I.

3.9. Class 9. Class 9 consists of all Intercompany Claims that may exists against a particular Debtor.

3.10 Class 10. Class 10 consists of all Subordinate Securities Claims. This Class is applicable only to the Chapter 11 Case of Kmart.

3.11. Class 11. Class 11 consists of all Existing Common Stock and all Interest that may exists with respect to an Affiliate Debtor.

3.12 Class 12. Class 12 consists of all Other Interest. This Class is applicable only to the Chapter 11 Case of Kmart.

Article IV

* Identification of Classes of Claims and Interests Impaired and Unimpaired by the Plan

4.1 Classes of Claims that are Unimpaired. The following Classes are Unimpaired by the Plan:

claims

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- Class 1 (Secured Claims)
- Class 2 (Other Priority Claims)

4.2 Impaired Classes of Claims and Interest.
The following classes are impaired by the Plan.

- Class 3 (Prepetition lender claims)
- Class 4 (Prepetition Note Claims)
- Class 5 (Trade Vendor/Lease Rejection Claims)
- Class 6 (Other Unsecured Claims)
- Class 7 (General Unsecured Claims)
- Class 8 (Trust Preferred Obligations)
- Class 9 (Intercompany Claims)
- Class 10 (Submitted Securities Claims)
- Class 11 (Existing Common Stock)
- Class 12 (Other Interest)

Article 111

I hereby certify that on
5-29-2009 a true copy of Article 111
was sent to United States
Bankruptcy Court, Northern District
of Illinois at 219 South
Dearborn Street Chicago Illinois

and

Mr. William J. Barrett, Barack,
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