

B104 (FORM 104) (08/07)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)
PLAINTIFFS The CIT Group/Commercial Services, Inc.		DEFENDANTS Kmart Corporation
ATTORNEYS (Firm Name, Address, and Telephone No.) Allen J. Guon Shaw Gussis Fishman Glantz Wolfson & Towbin LLC 321 N. Clark St., Suite 800, Chicago, IL 60654 (312) 980-3806		ATTORNEYS (If Known) William J. Barrett Barack Ferrazzano Kirschbaum & Nagelberg LLP 200 W. Madison St., Suite 3900, Chicago, IL 60606 (312) 629-5170
PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input checked="" type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee		PARTY (Check One Box Only) <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Accounting for distribution of shares		
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		
FRBP 7001(1) – Recovery of Money/Property <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input checked="" type="checkbox"/> 14-Recovery of money/property - other FRBP 7001(2) – Validity, Priority or Extent of Lien <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property FRBP 7001(3) – Approval of Sale of Property <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) FRBP 7001(4) – Objection/Revocation of Discharge <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) FRBP 7001(5) – Revocation of Confirmation <input type="checkbox"/> 51-Revocation of confirmation FRBP 7001(6) – Dischargeability <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)		FRBP 7001(6) – Dischargeability (continued) <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other FRBP 7001(7) – Injunctive Relief <input type="checkbox"/> 71-Injunctive relief – imposition of stay <input type="checkbox"/> 72-Injunctive relief – other FRBP 7001(8) Subordination of Claim or Interest <input type="checkbox"/> 81-Subordination of claim or interest FRBP 7001(9) Declaratory Judgment <input type="checkbox"/> 91-Declaratory judgment FRBP 7001(10) Determination of Removed Action <input type="checkbox"/> 01-Determination of removed claim or cause Other <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)
<input type="checkbox"/> Check if this case involves a substantive issue of state law		<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23
<input type="checkbox"/> Check if a jury trial is demanded in complaint		Demand \$
Other Relief Sought Accounting for distribution of shares		

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BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR Kmart Corporation		BANKRUPTCY CASE NO. 02-B-02474
DISTRICT IN WHICH CASE IS PENDING Northern District of Illinois	DIVISION OFFICE Eastern	NAME OF JUDGE Susan Pierson Sonderby
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF)		
DATE	PRINT NAME OF ATTORNEY (OR PLAINTIFF)	

INSTRUCTIONS

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also complete and file Form 104, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court's Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 104 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re

KMART CORPORATION, *et al*,

Debtor.

Chapter 11

Case No. 02 B 02474
(Jointly Administered)

Hon. Susan Pierson Sonderby

Hearing Date: March 3, 2010
Hearing Time: 11:00 a.m.

FINAL DECREE CLOSING CASE OF KMART CORPORATION

Upon Kmart Corporation’s (“Kmart”) Motion for Entry of a Final Decree Closing Case and for Relief from Local Bankruptcy Rule 3022-1 (the “Motion”); and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to U.S.C. § 157; and the Court being satisfied that the estate of Kmart has been fully administered within the meaning of Section 350 of the Bankruptcy Code; and due and proper notice of the Motion having been given; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED:

1. The bankruptcy case of Kmart Corporation, case no. 02-02474, shall be closed as provided for in Bankruptcy Rule 3022, effective as of the date of this order.
2. Notice of the Motion as actually provided is sufficient and the requirements of Rule 3022-1 of the Local Rules of the United States Bankruptcy Court Northern District of Illinois are satisfied by such notice.
3. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this order.
4. Conversion of contested matters to adversary proceedings:

(i) The Clerk shall open an adversary proceeding with the caption Beulah Johnson v. Kmart Corporation, and shall cause to be docketed in such adversary proceeding the filings in the main bankruptcy case listed on Exhibit A hereto;

(ii) The Clerk shall open an adversary proceeding with the caption Global Property Services, Inc. v. Kmart Corporation and shall cause to be docketed in such adversary proceeding the filings in the main bankruptcy case listed on Exhibit B hereto;

(iii) The Clerk shall open an adversary proceeding with the caption United States v. Kmart Corporation. Upon the opening of the adversary proceeding, Kmart shall file in the adversary proceeding copies of the following claims: 29716, 39429, 44457, 45644, 46712, 45056 and 37637 and copies of any objections to such claims;

(iv) The Clerk shall open an adversary proceeding with the caption The CIT Group/Commercial Services, Inc. ("CIT") v. Kmart Corporation (the "CIT Adversary") and shall caused to be docketed in such adversary proceeding the filings in the main bankruptcy case listed on Exhibit C hereto; and

(v) The Clerk shall open an adversary proceeding with the caption David Kersh v. Kmart Corporation and shall caused to be docketed in such adversary proceeding the filings in the main bankruptcy case listed on Exhibit D hereto.

5. General provisions applicable to all converted contested matters:

(i) Upon the opening of an adversary proceeding as provided in this Order, Kmart shall provide all parties to the proceeding with the case number for the proceeding;

(ii) The contested matters that have been converted to adversary proceedings shall continue to be treated in all respects as contested matters rather than adversary proceedings,

including, without limitation, that Fed. R. Bankr. P. 3007, 9013 and 9014 shall continue to apply to such matters;

(iii) There shall be no substantive or procedural prejudice to the rights of any party as a result of the conversion of contested matters to adversary proceedings. The inclusion of a pleading or proof of claim among items to be docketed in an adversary proceeding shall not be deemed an admission by any party as to the validity of the pleading or claim; and

(iv) Any party to a converted contested matter may designate additional pleadings in the main case, or proofs of claims filed in the main case or in the case of an affiliate, to be included in the adversary proceeding by filing in the adversary proceeding a copy of the pleading or claim which shall be attached to a Notice of Filing that contains the case number of the adversary proceeding.

6. The discharge injunction provisions of the Kmart Plan of Reorganization, of the order confirming the Kmart Plan of Reorganization, and of 11 U.S.C. §524 (collectively, the "Discharge Injunctions"), are modified to permit any claimant who filed a proof of claim for a personal injury or wrongful death claim against Kmart to obtain from an appropriate non-bankruptcy court a determination of Kmart's liability with respect to the claim. Kmart shall serve on any claimant who has not previously obtained relief from the Discharge Injunctions a notice in the form attached hereto as Exhibit E. Notwithstanding the foregoing, the provisions of the Kmart Plan of Reorganization governing the treatment of any such personal injury or wrongful death claim shall remain in full force and effect and the Discharge Injunctions shall remain in full force and effect as to any judgment, award, or settlement obtained on such a claim.

7. (i) CIT will be allowed 120 days from entry of the Final Decree (such 120 days being the "CIT Period") to identify which of the unclaimed shares held at Computershare it

claims; (ii) CIT may seek in the CIT Adversary, by amendment or otherwise (including, but not limited to, the seeking of relief against a third party or the joinder of a party plaintiff), any relief available to it in this bankruptcy case as of the entry of the Final Decree (subject to any defenses Kmart might have to any relief sought); and (iii) to the extent CIT is entitled to receive additional shares of Sears Holdings Corporation, Kmart shall be responsible for causing such distribution.

8. Kmart shall serve on any person that has not claimed a distribution on its Class 5 claim a Notice in the form attached hereto as Exhibit F and, in accordance with the Notice and 11 U.S.C. §§347(b) and 1143, any shares not timely claimed shall revert to Kmart (provided that Kmart shall maintain at Computershare until the end of the CIT Period all such shares so that such shares are available to distribute to CIT should CIT timely identify shares that it claims. Subsequent to the CIT Period, Kmart shall maintain at Computershare, for possible distribution to CIT, such number of shares as are subject to unresolved timely claims of CIT).

Chicago, Illinois

Dated: MAR - 3 2010, 2010

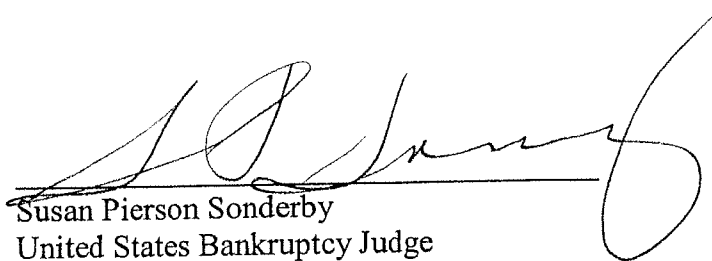

Susan Pierson Sonderby
United States Bankruptcy Judge

EXHIBIT C

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re

KMART CORPORATION,

Debtor.

Chapter 11

Case No. 02 B 02474

Hon. Susan Pierson Sonderby

CIT GROUP/COMMERICAL SERVICES DOCKET ENTRIES

05/10/2002 3019 APPEARANCE by Thomas V Askounis for The CIT Group/Equipment Financing Inc [RM] Original NIBS Entry Number: 2994 (Entered: 05/13/2002)

08/01/2002 5390 ASSIGNMENT of Claim of The CIT Group/Commercial Services Inc to National Union Fire Insurance Co of Pittsburg PA c/o American International Underwriters for \$49,964,544.12 [RM] Original NIBS Entry Number: 5364 (Entered: 08/02/2002)

03/08/2004 23069 Response to (related document(s): 20650 Motion Objecting to Claim,) Filed by David A Wargula on behalf of The CIT Group/Equipment Financing Inc (Green, Josephine) (Entered: 03/22/2004)

12/06/2004 26824 Order Approving Stipulation and Order Regarding Claims Numbered 50856 and 50857 of the CIT Group/Equipment Financing Inc . Signed on 12/6/2004 (Green, Josephine) . (Entered: 12/07/2004)

11/01/2005 29242 Notice of Motion and Motion to Allow Claim(s) # Filed by Allen J Guon on behalf of The CIT Group/Commercial Services, Inc.. Hearing scheduled for 11/15/2005 at 10:00 AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. (Attachments: # 1 Exhibit A# 2 Exhibit B# 3 Exhibit C# 4 Exhibit D# 5 Exhibit E# 6 Exhibit F# 7 Proposed Order) (Guon, Allen) (Entered: 11/01/2005)

04/11/2006 29758 Order Scheduling RE: Motion Of The CIT Group/Commercial Services Inc For Recognition Of Interest Of CIT In Claims and Providing For Payment Of Claims [Docket No 29242]. Hearing scheduled for 7/11/2006 at 10:00 AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 4/11/2006 (Marola, Rosalie) (Entered: 04/13/2006)

07/11/2006 30032 Order Scheduling Re:Motion of the CIT Group/Commercial Services Inc For Recognition of Interest of CIT in claims and providing for payment of claims (docket no

29242) . Hearing scheduled for 10/17/2006 at 10:00 AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 7/11/2006 (Marola, Rosalie) (Entered: 07/14/2006)

10/17/2006 30316 Order Scheduling RE: Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and Approving for Payment of Claims. Hearing continued on 1/17/2007 at 10:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. [Re:Docket No 29242] Signed on 10/17/2006 (Marola, Rosalie) (Entered: 10/18/2006)

05/01/2007 30847 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for recognition of inerest of CIT in claims and providing for payment of claims docket no 29242 . Hearing continued on 6/20/2007 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 5/1/2007 (Marola, Rosalie) (Entered: 05/03/2007)

05/03/2007 30872 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for recognition of interest of CIT in claims and providing payment of claims docket no 29242 . Hearing continued on 8/14/2007 at 10:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 5/3/2007 (Marola, Rosalie) (Entered: 05/04/2007)

08/14/2007 31113 Order Scheduling Re:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims & Providing for Payment of Claims Docket No 29242 . Hearing continued on 10/3/2007 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 8/14/2007 (Marola, Rosalie) (Entered: 08/15/2007)

10/03/2007 31196 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of CIT in Claims and providing for payment of claims Docket No 29242 . Hearing continued on 11/6/2007 at 10:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 10/3/2007 (Marola, Rosalie) (Entered: 10/04/2007)

11/06/2007 31283 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and Providing For Payment of Claims Docket No 29242 . Hearing continued on 1/9/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 11/6/2007 (Marola, Rosalie) (Entered: 11/07/2007)

01/09/2008 31361 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and Providing for Payment of Claims Docket No 29242 . Status hearing to be held on 3/11/2008 at 11:00 AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 1/9/2008 (Marola, Rosalie) (Entered: 01/11/2008)

03/11/2008 31459 Order Scheduling RE: Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims & Providing for Payment of Claims Docket# 29242 . Continued Status hearing to be held on 5/14/2008 at 11:00 AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 3/11/2008 (Marola, Rosalie) (Entered: 03/14/2008)

05/14/2008 31559 Order Scheduling RE:Motion of the CIT Group/Commercial Servcies Inc For Recognition of Interest of CIT in Claims and Providing for Payment of Claims Dockete NO 29242 . Hearing continued on 6/24/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 5/14/2008 (Marola, Rosalie) (Entered: 05/16/2008)

06/24/2008 31626 Order Scheduling RE:Motion of the CIT Group/Commercial Svc Inc for Recognition of Interest of CIT in claims and providing for payment of claims Docket NO 29242 . Hearing continued on 8/20/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 6/24/2008 (Marola, Rosalie) (Entered: 06/26/2008)

08/20/2008 31692 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in claims and providing for payment of claims Docket No 29242 . Hearing continued on 9/24/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 8/20/2008 (Marola, Rosalie) (Entered: 08/22/2008)

09/24/2008 31738 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and Providing for Payment of Claims Docket NO 29242 . Hearing continued on 10/28/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 9/24/2008 (Marola, Rosalie) (Entered: 09/25/2008)

10/28/2008 31791 Order Scheduling RE:Motion of the CIT Group/Commercial Sves Inc for Recognition of Interest of CIT in claims and providing for payments of claims Docket NO 29242 . Hearing continued on 12/17/2008 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 10/28/2008 (Marola, Rosalie) (Entered: 10/29/2008)

03/18/2009 31918 Order Scheduling RE:Motion of the CIT Group/Commercial Sves Inc for Recognition of Interest of CIT in Claims and Providing for Payment of Claims Docket NO 29242 . Hearing continued on 6/16/2009 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 3/18/2009 (Marola, Rosalie) (Entered: 03/19/2009)

08/05/2009 32062 Order Scheduling RE:Motion of the CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and providing for payment of claims (Docket NO 29242 . Hearing continued on 9/22/2009 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 8/5/2009 (Marola, Rosalie) (Entered: 08/06/2009)

11/03/2009 32134 Order Scheduling Ordered Re: Motion of The CIT Group/Commercial Services Inc for Recognition of Interest of CIT in Claims and Providing for Payment of Claims (Docket No 29242 . Hearing continued on 12/15/2009 at 11:00AM at 219 South Dearborn, Courtroom 642, Chicago, Illinois 60604. Signed on 11/3/2009 (Marola, Rosalie) (Entered: 11/04/2009)

12/15/2009 32151 Hearing Continued (RE: 29242 Allow Claims). hearing scheduled for 03/03/2010 at 11:00 AM at Courtroom 642 219 South Dearborn, Chicago, IL, 60604.. Signed on 12/15/2009. (Jacobs, Karen) (Entered: 12/15/2009)

