

EXHIBIT A

Retention Orders

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS EOD
EASTERN DIVISION

JUL 10 2002

In re:) Chapter 11
) Case No. 02 B 02474
) (Jointly Administered)
KMART CORPORATION, et al.,) Chief Judge Susan Pierson Sonderby
)
)
Debtors.)

**INTERIM ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF
GOLDBERG, KOHN, BELL, BLACK, ROSENBLUM & MORITZ, LTD.
AS CO-COUNSEL TO THE OFFICIAL COMMITTEE OF
EQUITY SECURITY HOLDERS, RETROACTIVE TO JUNE 14, 2002**

Upon the annexed application (the "Application") of the Official Committee of Equity Security Holders (the "Equity Committee") of Kmart Corporation, et al. (collectively, "Debtors") for an order authorizing the Equity Committee to employ and retain the law firm of Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd. ("Goldberg Kohn") as its co-counsel in these chapter 11 cases, with such retention to be effective as of June 14, 2002; and upon the annexed Affidavit of Randall L. Klein (the "Klein Affidavit"), a principal of Goldberg Kohn, duly sworn on June 18, 2002, and it appearing to the Court from the representations made in the Application and the Klein Affidavit that said attorneys present no interest adverse to any of the Debtors' estates, that they are disinterested persons as that term is defined under § 101(14) of the Bankruptcy Code, that their employment is necessary and would be in the best interests of the Debtors' estates; and it appearing that proper and adequate notice has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to, *inter alia*, §§ 328(a) and 1103(a) of Title 11 of the United States Code (the "Bankruptcy Code") and Federal Rule of Bankruptcy Procedure 2014(a), the

Equity Committee is authorized to retain Goldberg Kohn as its co-counsel effective as of June 14, 2002, to assist the Equity Committee in the performance of its duties set forth in the Application.

2. Pursuant to, *inter alia*, §§ 330 and 331 of the Bankruptcy Code, Goldberg Kohn is retained with compensation and reimbursement of expenses to be determined upon application to this Court and pursuant to the applicable Federal Rules of Bankruptcy Procedure, the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses promulgated by the Office of the United States Trustee, the Rules of this Court and such other procedures as may be fixed by Order of this Court.

3. A final hearing on the Application will be held on July 24, 2002 at 11:00 a.m. Objections to the Application, if any, must be filed on or before July 17, 2002.

Date: Chicago, Illinois
June 28, 2002


Chief Judge Susan Pierson Sonderby
United States Bankruptcy Court

EOD JUL 30 2002

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:) Chapter 11
) Case No. 02 B 02474
) (Jointly Administered)
KMART CORPORATION, et al.,) Chief Judge Susan Pierson Sonderby
)
)
Debtors.)

**FINAL ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF
GOLDBERG, KOHN, BELL, BLACK, ROSENBLOOM & MORITZ, LTD.
AS CO-COUNSEL TO THE OFFICIAL COMMITTEE OF
EQUITY SECURITY HOLDERS, RETROACTIVE TO JUNE 14, 2002**

Upon the annexed application (the "Application") of the Official Committee of Equity Security Holders (the "Equity Committee") of Kmart Corporation, et al. (collectively, "Debtors") for an order authorizing the Equity Committee to employ and retain the law firm of Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd. ("Goldberg Kohn") as its co-counsel in these chapter 11 cases, with such retention to be effective as of June 14, 2002; and upon the annexed Affidavit of Randall L. Klein (the "Klein Affidavit"), a principal of Goldberg Kohn, duly sworn on June 18, 2002, and it appearing to the Court from the representations made in the Application and the Klein Affidavit that said attorneys present no interest adverse to any of the Debtors' estates, that they are disinterested persons as that term is defined under § 101(14) of the Bankruptcy Code, that their employment is necessary and would be in the best interests of the Debtors' estates; and it appearing that proper and adequate notice has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. Pursuant to, *inter alia*, §§ 328(a) and 1103(a) of Title 11 of the United States Code (the "Bankruptcy Code") and Federal Rule of Bankruptcy Procedure 2014(a), the Equity Committee is authorized to retain Goldberg Kohn as its co-counsel effective as of June

14, 2002, to assist the Equity Committee in the performance of its duties set forth in the Application.

2. Pursuant to, *inter alia*, §§ 330 and 331 of the Bankruptcy Code, Goldberg, Kohn is retained with compensation and reimbursement of expenses to be determined upon application to this Court and pursuant to the applicable Federal Rules of Bankruptcy Procedure, the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses promulgated by the Office of the United States Trustee, the Rules of this Court and such other procedures as may be fixed by Order of this Court.

Date: Chicago, Illinois
July 24/2002



Chief Judge Susan Pierson Sonderby
United States Bankruptcy Court

EXHIBIT B

2016(a) Affidavit

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Chapter 11
)	
KMART CORPORATION, <u>et al.</u>,)	Case No. 02 B 02474
)	(Jointly Administered)
)	
Debtors.)	Judge Susan Pierson Sonderby

RULE 2016 AFFIDAVIT

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

Randall L. Klein, being duly sworn, deposes and says:

1. I am a principal of the firm of Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd., co-counsel for the Official Committee of Equity Security Holders of Debtors ("Goldberg, Kohn").

2. I have read the Final Application of Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd., Counsel to Official Committee of Equity Security Holders, for Allowance and Payment of Compensation and Reimbursement of Expenses Under 11 U.S.C. §§ 330 attached hereto (the "Final Application") and am familiar with the contents thereof.

3. In accordance with Federal Rule of Bankruptcy Procedure 2016(a), I hereby affirm that, except as disclosed in the Final Application, Goldberg, Kohn has not received or been promised any payments or other compensation for services rendered in this Case and that Goldberg, Kohn has not agreed or reached an understanding with any other entity for the sharing of compensation received or to be received for services rendered in or in connection with this Case.

FURTHER AFFIANT SAYETH NOT.


Randall L. Klein

SWORN TO BEFORE ME this
31st day of July, 2003


NOTARY PUBLIC



EXHIBIT C

Summary by Professional

Name	2002 Rate (Dollars Per Hour)	2002 Hours Billed	2002 Total	2003 Rate (Dollars Per Hour)	2003 Hours Billed	2003 Total	Total Value
Principals							
Gerald F. Munitz	\$450.00	55.20	\$24,840.00	\$515.00	5.80	\$2,987.00	\$27,827.00
Dennis B. Black	\$450.00	15.80	\$7,110.00	\$475.00	5.10	\$2,422.50	\$9,532.50
Ronald Barliant	\$450.00	7.70	\$3,465.00	\$515.00	5.30	\$2,729.50	\$6,194.50
Richard M. Kohn	\$450.00	10.70	\$4,815.00	*	0.00	\$0.00	\$4,815.00
Terry F. Moritz	\$450.00	95.30	\$42,885.00	*	0.00	\$0.00	\$42,885.00
Terry F. Moritz	\$225.00 (travel)	10.50	\$2,362.50	\$257.50 (travel)	0.00	\$0.00	\$2,362.50
Alan P. Solow	\$450.00	23.30	\$10,485.00	\$515.00	4.70	\$2,420.50	\$12,905.50
Daniel P. Shapiro	\$420.00	54.90	\$23,058.00	\$475.00	0.50	\$237.50	\$23,295.50
Frederic R. Klein	\$410.00	0.20	\$82.00	*	0.00	\$0.00	\$82.00
Randall L. Klein	\$380.00	524.60	\$199,348.00	\$425.00	177.00	\$75,225.00	\$274,573.00
Randall L. Klein	\$190.00 (travel)	44.05	\$8,369.50	\$212.50 (travel)	0.00	\$0.00	\$8,369.50
Natalia Y. Delgado	\$370.00	12.00	\$4,440.00	\$390.00	1.50	\$585.00	\$5,025.00
Barbara M. Flom	\$370.00	81.90	\$30,303.00	\$390.00	8.40	\$3,276.00	\$33,579.00
Kenneth S. Ulrich	\$360.00	41.20	\$14,832.00	*	0.00	\$0.00	\$14,832.00
William C. Meyers	\$350.00	616.30	\$215,705.00	\$370.00	24.60	\$9,102.00	\$224,807.00
William C. Meyers	\$175.00 (travel)	30.00	\$5,250.00	\$185.00 (travel)	6.00	\$1,110.00	\$6,360.00
David J. Chizewer	\$350.00	80.30	\$28,105.00	\$370.00	2.10	\$777.00	\$28,882.00
David J. Chizewer	\$175.00 (travel)	13.70	\$2,397.50	\$185.00 (travel)	0.00	\$0.00	\$2,397.50
Associates							
Kathryn A. Pamentor	\$275.00	139.10	\$38,252.50	\$320.00	25.20	\$8,064.00	\$46,316.50
Keith A. Sigale	\$230.00	30.20	\$6,946.00	*	0.00	\$0.00	\$6,946.00
Michael N. Levy	\$215.00	2.00	\$430.00	*	0.00	\$0.00	\$430.00
Dimitri G. Karcazes	\$210.00	43.30	\$9,093.00	*	0.00	\$0.00	\$9,093.00
Susan Helene Kane	\$200.00	14.00	\$2,800.00	*	0.00	\$0.00	\$2,800.00
A. Colin Wexler	\$200.00	29.60	\$5,920.00	*	0.00	\$0.00	\$5,920.00
Jeremy M. Downs	\$190.00	209.40	\$39,786.00	\$245.00	63.80	\$15,631.00	\$55,417.00

Name	2002 Rate (Dollars Per Hour)	2002 Hours Billed	2002 Total	2003 Rate (Dollars Per Hour)	2003 Hours Billed	2003 Total	Total Value
C. Davin Boldissar	\$190.00	476.70	\$90,573.00	\$210.00	45.00	\$9,450.00	\$100,023.00
C. Davin Boldissar	\$95.00 (travel)	63.20	\$6,004.00	\$105.00	0.00	\$0.00	\$6,004.00
Andrew E. Weissman	\$190.00	16.60	\$3,154.00	*	0.00	\$0.00	\$3,154.00
James P. Madigan	\$190.00	22.70	\$4,313.00	*	0.00	\$0.00	\$4,313.00
Salvador K. Karotki	\$180.00	0.60	\$108.00	*	0.00	\$0.00	\$108.00
Catherine S. Carrigan	\$165.00	74.10	\$12,226.50	*	0.00	\$0.00	\$12,226.50
Catherine S. Carrigan	\$82.50	20.00	\$1,650.00	*	0.00	\$0.00	\$1,650.00
Robert M. Oberlies	\$165.00	29.40	\$4,851.00	*	0.00	\$0.00	\$4,851.00
Erin M. Samolis	\$165.00	43.50	\$7,177.50	*	0.00	\$0.00	\$7,177.50
Paraprofessionals							
Anna R. Marks	\$140.00	23.30	\$3,262.00	*	0.00	\$0.00	\$3,262.00
Hoy J. Chau	\$115.00	180.90	\$20,803.50	\$125.00	110.70	\$13,837.50	\$34,641.00
Michael L. Whitechurch	\$110.00	4.00	\$440.00	\$115.00	0.00	\$0.00	\$440.00
Linda K. McClain	*	0.00	\$0.00	\$100.00	1.50	\$150.00	\$150.00
Kim M. Grice	\$100.00	52.70	\$5,270.00	*	0.00	\$0.00	\$5,270.00
Cassandra Boyd	\$95.00	223.70	\$21,251.50	*	0.00	\$0.00	\$21,251.50
Diane Ende	\$95.00	2.20	\$209.00	*	0.00	\$0.00	\$209.00
Kathleen M. O'Connell	\$95.00	23.90	\$2,270.50	*	0.00	\$0.00	\$2,270.50
Lauren M. Rosman	\$95.00	428.80	\$40,736.00	\$100.00	54.80	\$5,480.00	\$46,216.00
Amy Kule	\$70.00	71.50	\$5,005.00	*	0.00	\$0.00	\$5,005.00
Mike Evans	\$50.00	13.30	\$665.00	\$55.00	2.50	\$137.50	\$802.50

* Did not bill during this calendar year.

EXHIBIT D

Fee Detail

GOLDBERG, KOHN, BELL, BLACK, ROSENBLOOM & MORITZ, LTD.

55 EAST MONROE STREET • SUITE 3700 • CHICAGO, ILLINOIS 60603 • (312) 201-4000

F.E.I.N. 36-2863762

KMART EQUITY COMMITTEE
C/O Ken Abdalla
9130 West Sunset Boulevard
Los Angeles, CA 90069

JULY 30, 2002
5217.001/128853
PAGE 1

REGARDING: KMART

FOR PROFESSIONAL SERVICES RENDERED

<u>DATE</u>	<u>DESCRIPTION</u>	<u>ATTY</u>	<u>HOURS</u>	<u>AMOUNT</u>
GENERAL ADMINISTRATION				
06/14/2002	Begin organizational work based on update from meetings	APS	.30	135.00
06/16/2002	Work with RLK on organizational matters	APS	.50	225.00
06/17/2002	Further work with RLK re first steps	APS	.20	90.00
06/17/2002	Update docket and distribute information re same (.5); prepare firm client list re Kmart matters for attorney review (.5)	CXB+	1.00	95.00
06/17/2002	Prepare materials re securities trading by equity committee members and orders entered in other cases	CXB+	5.00	475.00
06/17/2002	Conferences with RLK and NYD re policy restricting purchase or sale of securities by members of equity committee	DBB	.30	135.00
06/17/2002	Confer with RLK re review of orders on appeal (.10); review/revise motion to employ GK and disclosure of "connections" under Rule 2014 (.40)	GFM	.50	225.00

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KMART EQUITY COMMITTEE

JULY 30, 2002
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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/17/2002	Prepare draft withdrawal letter	KAP	.30	82.50
06/18/2002	Work on organizational issues	APS	.20	90.00
06/18/2002	Update docket and distribute information re same (.5); prepare motion for admission pro hac vice of P. Traub (.8); prepare Federal Express batch instructions for service to master and 2002 notice parties (.5); convert master/2002 service lists for distribution (.5)	CXB+	2.30	218.50
06/18/2002	Prepare motion to approve trading of interests subject to creation of information barrier	GFM	1.00	450.00
06/18/2002	Office conference with CXB and begin to prepare documents for mailing re: distribution	KMG+	3.90	390.00
06/18/2002	Revise committee by-laws	RLK	.70	266.00
06/19/2002	Work with RLK on opening issues including rules for Committee and other organizational matters including application and anticipated Committee response	APS	.30	135.00
06/19/2002	Distribution of applications to 2002 Service List and Master Service List	KMG+	5.80	580.00
06/20/2002	Prepare fedex envelopes re equity committee for service	AXK+	5.00	350.00

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KMART EQUITY COMMITTEE

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/20/2002	Update docket and distribute information re same (.5); prepare index re matters set for 6/26/02 hearing (5.5); assemble documents for attorney review re matters set for 6/26/02 hearing (2.5); telephone calls to and with M. Russell re assignments for matters set for 6/26/02 (.3)	CXB+	8.80	836.00
06/20/2002	Prepare 2002 service list and master service list and distribute	KMG+	4.70	470.00
06/20/2002	File pleading with the Clerk's Office 02 b 2474 JMD	MXE+	.70	35.00
06/20/2002	Work on budget and work on allocation	RLK	.30	114.00
06/20/2002	Work on issues re equity committee rules (.3); review same and discuss with RLK and APS (.5)	TFM	.80	360.00
06/21/2002	Assemble documents for attorney review re 6/26/02 hearing	AXK+	4.00	280.00
06/21/2002	Update docket and distribute information re same (1.0); assemble information for attorney review re precedent financial advisor related dockets and motions (1.0); assemble documents for attorney review re 6/26/02 hearing (4.5); review and revise schedule re allocation of tasks re 6/26/02 (1.5); assemble documents for attorney review	CXB+	9.50	902.50

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KMART EQUITY COMMITTEE

JULY 30, 2002
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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	re mechanics liens and personal injury claims (.5); assemble documents for attorney review re confidentiality agreement (.5); telephone calls to and with M. Russell re matters set for 6/26/02 hearing (.5)			
06/21/2002	Conferences with RLK and C.XB re June Omnibus hearing motions	KAP	.30	82.50
06/21/2002	Office conference with CXB re service issues (.2); review US Illinois Bankruptcy Courts via internet (.3); locate and download pdf files re: case calendar (2.3); save to desktop (.2); forward to CXB for comment and review (.1)	KMG+	3.10	310.00
06/21/2002	Various discussions re proposed revisions to equity committee rules	TFM	1.40	630.00
06/22/2002	Complete review of pending motion list	APS	.10	45.00
06/24/2002	Update docket and distribute information re same (1.1); prepare notice of withdrawal (.6); prepare special service list re key service parties (.7); assemble information for attorney review re key master service list contacts (.6); distribute to K. Abdalla copy of Kmart Bankruptcy Newsletter (.3); telephone call with M. McDermott re 6/26/02 hearing (.2); update docket and distribute information re securities and exchange	CXB+	4.50	427.50

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KMART EQUITY COMMITTEE

JULY 30, 2002
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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	commission motions and equity committees (1.0)			
06/24/2002	Review pleadings for omnibus hearing	KAP	2.10	577.50
06/24/2002	Office conference with CXB (.2); prepare for 2002 service list distribution (1.1)	KMG+	1.30	130.00
06/24/2002	Prepare for meeting with committee chairman and financial advisors	RLK	3.50	1,330.00
06/25/2002	Assemble documents for attorney review re 6/26/02 hearing	AXK+	3.80	266.00
06/25/2002	Update docket and distribute information re same (1.0); conference call with RLK, KAP, P. Traub, K. Abdalla, and M. Russell re matters set for 6/26/02 hearing (1.0); telephone calls to and with M. Russell re matters set for 6/26/02 hearing (.5)	CXB+	2.50	237.50
06/25/2002	Review of agenda	GFM	.30	135.00
06/25/2002	Review Omnibus hearing pleadings and agenda for same and prepare memo re same (2.50); attend telephone conference with P. Traub and RLK re hearing items (.80); review and revise correspondence and order (.50)	KAP	3.80	1,045.00
06/26/2002	Assemble documents for attorney review re 6/28/02 hearing	AXK+	1.00	70.00

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KMART EQUITY COMMITTEE

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/26/2002	Update docket re equity committee motions (2.0); assemble information for attorney review re precedent equity committee motions (2.0); assemble documents for attorney review re 6/26/02 hearing (.5); assemble information for attorney review re matters set for 6/28/02 hearing (1.0); revise letter to Equity Committee re information packet (.2)	CXB+	5.70	541.50
06/26/2002	Prepare documents for hearing	KAP	.20	55.00
06/27/2002	Update docket and distribute information re same (1.5); assemble information for attorney review re 6/28/02 hearing matters (1.5); telephone call to M. McDermott re SERP schedule (.2); telephone call with debtor counsel re 6/28/02 agenda (.1); revise equity committee summary re 6/28/02 hearing (2.0); prepare list of matters set for 7/9/02 and 7/24/02 (1.5)	CXB+	6.80	646.00
06/28/2002	Update docket and distribute information for re same (1.0); prepare case administration index (.5); distribute to Bankruptcy Creditors' Service, Inc. subscription re Kmart bankruptcy news (.2); telephone call with Bankruptcy Creditors' Service, Inc. re Kmart bankruptcy news (.2); prepare summary of results re 6/26/02	CXB+	3.60	342.00

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KMART EQUITY COMMITTEE

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	hearing for equity committee members (.5); telephone calls to and with S. Sandt re 6/26/02 and 6/28/02 hearings and detail on equity committee progress (.6); distribute to S. Sandt notice of formation of the equity committee (.1); assemble information for equity committee review re Kmart schedules (.5)			
06/28/2002	Messages to/from and conference with RLK and APS re case status	JMD	.10	19.00
06/28/2002	Issues re reviewing party for member of equity committee (.20); discussion with WCM and J. Butler re same (.70); review equity by-laws re same (.20)	TFM	1.10	495.00
SUB-TOTAL FOR GENERAL ADMINISTRATION				14,324.00
ASSET ANALYSIS AND DISPOSITION				
06/21/2002	Review of news articles re sale of leases, stewardship investigation (.5); confer with RLK re Saybrook retention (.2)	GFM	.70	315.00
06/26/2002	Work on information request	RLK	.60	228.00
SUB-TOTAL FOR ASSET ANALYSIS AND DISPOSI				543.00
AUTOMATIC STAY (RELIEF ACTIONS)				
06/19/2002	Conference with M. McDermott re proposed settlement for Great Time	RLK	.20	76.00

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KMART EQUITY COMMITTEE

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/20/2002	Conference with P. Traub re proposed settlement for Great Time	RLK	.10	38.00
06/24/2002	Review institutional Lenders motion re SERP	APS	.10	45.00
	SUB-TOTAL FOR AUTOMATIC STAY (RELIEF ACT			159.00
	CASE ADMINISTRATION AND OBJECTIONS			
06/25/2002	Further attention to position on SERP motion	APS	.10	45.00
06/28/2002	Call from Traub re coverage	APS	.10	45.00
	SUB-TOTAL FOR CASE ADMINISTRATION AND OB			90.00
	COMMUNIC W/DEBTORS, OFFICIAL COMMTT			
06/14/2002	Meeting with J. Butler, M. McDermott re case overview	RLK	3.00	1,140.00
06/21/2002	Conferences with J. Butler and P. Traub re confidentiality agreement status and Mobius (.2); conference with TFM re same (.1)	RLK	.30	114.00
	SUB-TOTAL FOR COMMUNIC W/DEBTORS, OFFICI			1,254.00
	COURT HEARING ATTENDANCE			
06/18/2002	Attend hearing re dispute concerng Kmart auction of designation rights	RLK	2.80	1,064.00
06/26/2002	Attend first hearing	RLK	3.20	1,216.00
06/26/2002	Attend second hearing	RLK	5.30	2,014.00

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KMART EQUITY COMMITTEE

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/28/2002	Prepare for and attend omnibus hearing with focus on retention issues	APS	2.30	1,035.00
06/28/2002	Attend hearing on sale motion	KAP	2.80	770.00
	SUB-TOTAL FOR COURT HEARING ATTENDANCE			6,099.00
	EQUITY COMMITTEE COMMUNICATIONS			
06/14/2002	Conferences with chair and co-chair re scheduling and overview of case	RLK	2.00	760.00
06/15/2002	Conference calls with committee chair re selection of financial advisors (.8); calls with co-counsel re same and consideration of financial advisors (.5); calls to various committee members re same (.7)	RLK	2.00	760.00
06/20/2002	Work on confidentiality provisions re by-laws as proposed by debtor	APS	.70	315.00
06/20/2002	Prepare for first meeting of creditors re matters assigned to Goldberg Kohn (1.0); discuss meeting with P. Traub (.4)	RLK	1.40	532.00
06/21/2002	Attend initial meeting, including discussion and adoption of by-laws, memoranda re insider trading and schedule for case	RLK	2.00	760.00
06/21/2002	Prepare for initial meeting	RLK	.60	228.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/23/2002	Prepare for meeting with committee chairman re case status and omnibus hearing	RLK	1.50	570.00
06/24/2002	Meetings with Traub (3.0); meeting with Abdalla, Traub and Stanford (5.0); further meeting with Traub (1.0)	RLK	9.00	3,420.00
06/25/2002	Meeting with Traub, Abdalla (1.0); meeting with Traub, Abdalla, Meyers, Fox, Stanford (2.0); further meetings with Traub, Abdalla, Stanford (2.5)	RLK	5.50	2,090.00
06/27/2002	Prepare summary of 6/26 hearing for equity committee	AXK+	3.00	210.00
06/28/2002	Prepare summary for RLK	AXK+	.50	35.00
	SUB-TOTAL FOR EQUITY COMMITTEE COMMUNICA			9,680.00
	EQUITY HOLDER INQUIRIES			
06/18/2002	Respond to inquiry from large shareholder re make-up of Equity Committee	RLK	.10	38.00
	SUB-TOTAL FOR EQUITY HOLDER INQUIRIES			38.00
	INSURANCE			
06/21/2002	Review objections to Dewey application and consider impact upon D&O insurance (.3); consideration of limited objection to Dewey application (.2); conference with M. McDermott re same (.1); consideration of support of motion based upon	RLK	.80	304.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	representations from debtor's counsel as to limited scope for current board members and cap on total expenses (.2)			
	SUB-TOTAL FOR INSURANCE			304.00
	LITIGATION (GENERAL)			
06/26/2002	Prepare for omnibus hearing (.8); draft of argument in support of Dewey motion (.7); conference with P. Traub re status of hearing and proposed order and Dewey matter (.2)	RLK	1.70	646.00
06/28/2002	Prepare for and attend weekly call with Skadden and Committees (1.0); follow-up with TFM and RLK re strategy (.3); e-mail to K. Abdalla re update on call with Skadden (.2); office conference with TFM re Reviewing Parties issue (.5); teleconference with P. Traub and J. Butler re same (.8); e-mail to RLK re same (.2); attention to correspondence to R. Burke re information binders (.2)	WCM	3.20	1,120.00
06/30/2002	Attention to research re potential claims (.2); attention to scheduling of weekly calls (.2); e-mail to RLK re 2004 research issues (.1); legal research re same (.2)	WCM	.70	245.00
	SUB-TOTAL FOR LITIGATION (GENERAL)			2,011.00
	LITIGATION (JOINT INTEREST INVESTIGATION)			

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/15/2002	Begin review of stewardship materials	RLK	1.70	646.00
06/16/2002	Complete review of stewardship materials (1.7); conference with TFM re same (1.0)	RLK	2.70	1,026.00
06/17/2002	Review of Information Binders prepared by Skadden for Equity Committee	RLK	2.00	760.00
06/17/2002	Conference with TFM re stewardship materials and status of securities litigation	RLK	.20	76.00
06/17/2002	Review investigative plan update (.2); begin identification of various collateral lawsuits (.6); begin search re same (.2); office conference re scope of responsibility (.2)	TFM	1.20	540.00
06/18/2002	Conference with committee member counsel re confidentiality provisions and discuss revisions to same (.8); conference with TFM re same and change to joint interest agreement (.3); further consideration of confidentiality issues and effect upon rights of Equity Committee (1.1)	RLK	2.20	836.00
06/20/2002	Confer with RLK re upcoming meeting in Washington on joint interest stipulation and review and consider same	APS	.60	270.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/20/2002	Meetings with TFM re joint interest agreement and revisions to same (.8); further review, revise and circulate (.7)	RLK	1.50	570.00
06/20/2002	Conferences with debtor's counsel re status of investigation and terms of joint interest agreement (.4); conferences with co-counsel re same (.1); conferences with TFM re revisions to joint interest agreement (.7); conference with Jones Day re same (.1)	RLK	1.30	494.00
06/20/2002	Review confidentiality provisions re effect upon discovery rights (.2); discuss same with APS (.4); conferences with TFM re same (.5); further conferences with TFM re same (.3)	RLK	1.40	532.00
06/20/2002	Telephone conference re joint stipulation (.3); review joint stipulation and begin to analyze various revisions to same (.7); analyze implication of stipulation with respect to role of equity committee (.8)	TFM	1.80	810.00
06/21/2002	Work with TFM re position on joint interest agreement and consider issues re upcoming meeting	APS	.30	135.00
06/21/2002	Conference with WCM re stewardship issues and meeting in Washington re same	RLK	.70	266.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/21/2002	Issues re meeting concerning SEC investigation and joint interest agreement (.3); various discussions re upcoming meeting concerning same (1.8); review and revise common interest agreement (.3)	TFM	2.40	1,080.00
06/21/2002	Office conferences with TFM and RLK re status and strategy (1.5); telephone conference with S. Fox re same (.2); attention to joint interest agreement; review of research re same (1.5); review of Investigation Plan Update (.8)	WCM	4.00	1,400.00
06/23/2002	Review of joint interest agreement, legal research re same, memos and samples re same, and stewardship materials in preparation for statutory committees meeting in Washington, DC (6.5); teleconference with TFM re same (.5)	WCM	7.00	2,450.00
06/23/2002	Prepare for meeting of debtor's and statutory committee's professionals	WCM	2.00	700.00
06/24/2002	Telephone conference re meeting concerning common interest agreement	TFM	.30	135.00
06/24/2002	Prepare for and attend meeting of counsel for statutory committees and debtor re stewardship issues (presentation by Debtor's counsel) (7.0); work on joint	WCM	12.00	4,200.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	interst agreement among statutory committee and debtor (2.0); work on memo to TFM and RLK re status of statutory committee's investigation (1.0); further work on joint interest agreement re the foregoing (2.0)			
06/24/2002	Further work on joint interest agreement	WCM	2.00	700.00
06/25/2002	Multiple conferences with WCM re joint interest agreement	RLK	.80	304.00
06/25/2002	Review Skadden's updated investigative report and related materials (.70) ; review 6/12/02 overview of current Kmart circumstances (.50)	TFM	1.20	540.00
06/25/2002	Discussion with WCM re revised joint interest agreement (.70); telephone conference with co-counsel and Skadden concerning joint interest agreement (.80); review and revise joint interest agreement (.70)	TFM	2.20	990.00
06/25/2002	Work on revisions to joint interest agreement, review of multiple revisions of the same and telephone conferences with Skadden, and counsel for the committees, TFM and RLK re same (6.5); e-mail to K. Abdalla re same (.1); telephone conferences with C. Smith and P. Feldman re final changes; telephone conference with P.	WCM	9.00	3,150.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	Traub, RLK, S. Fox, and K. Abdalla re stewardship meeting recap (1.4); telephone conference with K. Abdalla re final approval for Joint Interest Agreement and discussion of who may be designated as the Committee's representatives for receipt of information; follow up teleconference with C. Smith re same (1.0)			
06/26/2002	Confer with WCM re joint defense agreement	APS	.10	45.00
06/26/2002	Review of motion by debtor re joint interest agreement	RLK	.20	76.00
06/26/2002	Work on joint interest agreement (.40); review and revise same (.30); discussions with WCM and RLK re same (.40)	TFM	1.10	495.00
06/26/2002	Issues re equity committee rules (.60); review rules related to reviewing parties of joint interest agreement (.70)	TFM	1.30	585.00
06/26/2002	Review of final version of Joint Interest Agreement(.5); office conferences with RLK and TFM re same(.5); telephone conference with P. Traub re status of JIA(.5); telephone conferences with J. Mendelson re the same (.5); follow-up re same with RLK and TFM and message for J. Butler re same (.5)	WCM	2.50	875.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/27/2002	Revise information request (.7); discuss joint interest issues with TFM (.2); discuss same with WCM (.2); conference with P. Traub re information request (.1)	RLK	1.20	456.00
06/27/2002	Conference with P. Traub re equity committee and service in light of joint interest agreement (.20); telephone conference with RLK re same (.10); conference with WCM re same (.10); evaluate limitation on equity members in light of joint interest agreement (.30); review and revise final version of joint interest agreement (.50); continue review of investigative materials prepared by Skadden, Arps (1.0)	TFM	2.20	990.00
06/27/2002	Weekly equity committee discussion with all counsel re status of Skadden investigation	TFM	.50	225.00
06/27/2002	Review of e-mails and voicemails from T. Nguyen (.30); review of JIA re definition of reviewing parties (.70)	WCM	1.00	350.00
SUB-TOTAL FOR LITIGATION (JOINT INTEREST				26,707.00ION)
NONWORKING TRAVEL TIME				
06/24/2002	Travel to meeting with committee chairman and financial advisor	RLK	5.00	950.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/25/2002	Return from meeting with chairman and financial advisor	RLK	6.00	1,140.00
	SUB-TOTAL FOR NONWORKING TRAVEL TIME			2,090.00
	RETENTION/FEE MATTERS (GK)			
06/14/2002	Conference with RLK re retention applications and related conflict review issues	JMD	.20	38.00
06/15/2002	Conference with RLK re various retention matters	JMD	.20	38.00
06/16/2002	Draft/review/revise retention pleadings/letters/exhibits, review pleadings/file re the same and messages to RLK re the same throughout the day	JMD	5.20	988.00
06/17/2002	Further work on retention pleadings, exhibits and other related documents throughout the day with RLK, CXB and co-counsel, including review of file/pleadings and internal conflicts reports	JMD	9.80	1,862.00
06/17/2002	Revise application for retention	RLK	1.80	684.00
06/17/2002	Prepare and revise affidavit for retention by equity committee	RLK	2.50	950.00
06/17/2002	Conference call with Committee chair re pending motion, emergency hearing, retention applications and meeting schedule	RLK	1.20	456.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/17/2002	Prepare and review conflict reports and meeting with various GK lawyers re statement of connections to case	RLK	2.10	798.00
06/18/2002	Work on various issues relating to retention and disclosure	APS	.20	90.00
06/18/2002	Prepare exhibits to Traub, Bonaquist retention motion (4.5); draft letter to Judge Sonderby re pro hac vice motion of P. Traub (.2); assemble documents for attorney review re Goldberg, Kohn and Traub, Bonaquist retention motion notices (1.5)	CXB+	6.20	589.00
06/18/2002	Further work on pleadings/documents/conflicts review/related issues for GK, Traub and Saybrook retention applications throughout the day	JMD	9.60	1,824.00
06/18/2002	Review and revise retention applications and prepare filing documents for same	KAP	4.00	1,100.00
06/18/2002	Revise affidavit re retention application	RLK	.50	190.00
06/18/2002	Revise retention application	RLK	.30	114.00
06/19/2002	Further work on GK, Traub and Saybrook retention pleadings and issues re filing/service of the same throughout the day	JMD	4.00	760.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/19/2002	Calls to/from committee chair re authorization to file applications (.1); attention to service of same (.6)	RLK	.70	266.00
06/20/2002	Review retention application to prepare for hearing	APS	.20	90.00
06/21/2002	Attention to issues relating to retention of professionals and appropriate orders in connection therewith (.2); call to I. Bodenstein re same (.1); attention to Court agenda (.1); further attention to Saybrook application issue and strategy in connection therewith (.2)	APS	.60	270.00
06/21/2002	Conference with RLK re applications	KAP	.30	82.50
06/24/2002	Attention to items set for hearing on 6/28 (.1); work on letter to UST re representation issues (.1)	APS	.20	90.00
06/24/2002	Prepare form orders re interim retention of Goldberg, Kohn and Traub Bonaquist	CXB+	.40	38.00
06/24/2002	Assemble documents for attorney review re precedent retention motions and exhibits	CXB+	1.00	95.00
06/24/2002	Supplemental review of conflict search results re GK retention application/affidavit	JMD	1.10	209.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/24/2002	Further work on open issues re retention applications with KAP, RLK and CXB throughout the day (1.2); review/revise related notices/certificates of service (.2); review case management order/local rules re the same (.2)	JMD	1.60	304.00
06/24/2002	Prepare notice of withdrawal (.30); telephone conference with RLK re same (.10); conferences with JMD and C. Boyd re same (.40); prepare correspondence to S. Wolfe re Applications (.50); prepare interim orders (.40)	KAP	1.70	467.50
06/25/2002	Finalize letter to UST re representation issues (.1); review agenda and discuss pending items with RLK (.3); work on revisions to order re retention (.1)	APS	.50	225.00
06/25/2002	Serve notice of withdrawal of appearances upon key notice of parties	CXB+	.80	76.00
06/25/2002	Prepare and file seven appearances re equity committee (1.0); prepare/revise notice of withdrawal and related filings for service the same (1.0)	CXB+	2.00	190.00
06/25/2002	Conferences with CXB re notices of appearance/withdrawal and review/revise/serve/file the same	JMD	.60	114.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/25/2002	File Appearances for GK and Notice of Withdrawal of Appearance 02 - 2474	MXE+	.70	35.00
06/26/2002	Prepare for hearings on retention and update with RLK re same	APS	.10	45.00
06/26/2002	Conference with KAP re open issues/status	JMD	.10	19.00
06/27/2002	Confer with RLK re hearing results and preparation re review of items on agenda for hearing on 6/28 (.3); review official agenda (.1)	APS	.40	180.00
06/27/2002	Attention to open retention issues, including U.S. Trustee reporting requirements	JMD	.20	38.00
06/27/2002	Conference with APS re retention applications	RLK	.40	152.00
SUB-TOTAL FOR RETENTION/FEE MATTERS (GK)				13,467.00
RETENTION/FEE MATTERS/OBJECT (OTHERS)				
06/18/2002	Revise Saybrook application (.4); conferences with C. Stanford re same (.6); calls to/from Committee Chair re same (.2); conferences with P. Traub re same (.2); conferences with JMD re same and service of same (.6)	RLK	2.00	760.00
06/18/2002	Conference with P. Traub re pro hac vice application and response by Kmart to motion to enjoin auction of designation	RLK	.50	190.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	rights			
06/19/2002	Work on Traub pro hac vice motion and filing/service issues	JMD	.50	95.00
06/19/2002	Conferences with Saybrook re revisions to application and affidavit (1.0); conference with P. Traub re same (.3); conferences with JMD re same (.6)	RLK	1.90	722.00
06/19/2002	Further revisions of Affidavit and review of internal responses to conflict clearing process	RLK	1.30	494.00
06/20/2002	Further work on Saybrook retention issues and review/revise/work on filing and service issues throughout the day with C. Stanford, KAP, RLK and CXB	JMD	1.90	361.00
06/20/2002	Prepare Saybrook Application for filing	KAP	.60	165.00
06/20/2002	Consider UST objection to Dewey application and response to same	RLK	.80	304.00
06/20/2002	Revise Saybrook application and affidavit (.9); attend to service of same (.2); conference with J. Rosenthal re same (.1)	RLK	1.20	456.00
06/21/2002	Distribute to key notice parties, debtor, committees' counsel re withdrawal of Saybrook financial advisors motion	CXB+	.50	47.50

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/21/2002	Attention to open issues re Saybrook retention application	JMD	.30	57.00
06/21/2002	Conference with RLK and GFM re objections to Saybrook retention application (.1); research the same (.4)	JMD	.50	95.00
06/21/2002	Telephone conference with JMD re Saybrook Application	KAP	.10	27.50
06/21/2002	Work on revising financial advisor fees and discussions with committee chairman re same	RLK	1.00	380.00
06/24/2002	Distribute to M. Russell filed copies of retention motions and notice of withdrawal re Saybrook (.4)	CXB+	.40	38.00
06/24/2002	File pleading with the Clerk office (am) and later same the same day file Notice of Withdrawal of Motion to Order Authorization of Retention and Employment of Saybrook Capital, LLC as Financial Advisors For Official Committee of Equity Security Holders 02-2474 JMD	MXE+	1.50	75.00
06/26/2002	Prepare supplemental certificate of service re Saybrook motion	CXB+	.20	19.00
06/26/2002	Advise CXB re open issues re Saybrook retention	JMD	.10	19.00
06/27/2002	Review of indemnity language permitted by court and consideration for Saybrook application (.2);	RLK	.30	114.00

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	correspondence to J. Rosenthal re same (.1)			
	SUB-TOTAL FOR RETENTION/FEE MATTERS/OBJE			4,419.00
	SECURITIES FRAUD CLAIM ISSUES			
06/18/2002	Consideration of strategies re securities fraud claims	DPS	.70	294.00
06/19/2002	Attn: analysis of strategies re securities fraud claims	DPS	1.00	420.00
	SUB-TOTAL FOR SECURITIES FRAUD CLAIM ISS			714.00
	SECURITIES TRADING ISSUES			
06/17/2002	Office conference with DBB and telephone conference with RLK re insider trading policy	NYD	.30	111.00
06/17/2002	Consider securities trading order and review Comdisco pleadings re same (.7); discuss same with P. Traub (.3)	RLK	1.00	380.00
06/18/2002	Correspond with RLK re transfer of restricted stock	NYD	.30	111.00
06/19/2002	Memo re securities trading (.7); review of applicable law re trading information barrier orders, SEC memo (2.2); review orders entered in Federated and Comdisco (.4)	GFM	3.30	1,485.00
06/19/2002	Review developments re insider trading and consider disclosure in memorandum to committee re same	NYD	1.00	370.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
06/20/2002	Review memorandum prepared by GFM re court approved exceptions to prohibition on insider trading (.30); telephone conference with RLK re same (.10); review materials from federal bankruptcy court re prior relief from trading prohibition (.80); review and revise memorandum including securities laws provisions re insider trading (.90); telephone conference with RLK re his comments on same (.10); revise memorandum incorporating RLK's comments and send out (.20); review Rule 144 requirements and respond to memorandum from RLK re same (.50); review various e-mail correspondence and voice mail circulated re securities issues (.40)	NYD	3.30	1,221.00
06/20/2002	Revise memorandum re insider trading and information blocking wall (1.3); conference with GFM re same (.2); conferences with NYD re same (.3); correspondence with committee members re same (.3); conference with S. Fox re same (.1)	RLK	2.20	836.00
SUB-TOTAL FOR SECURITIES TRADING ISSUES				4,514.00
TOTAL FOR SERVICES			\$	<u>86,413.00</u>

+ DENOTES PARALEGAL

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-----ATTORNEY SUMMARY-----

<u>ATTORNEY</u>	<u>TITLE</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Randall L. Klein	PARTNER	190.00	11.00	2,090.00
William C. Meyers	PARTNER	350.00	43.40	15,190.00
Natalia Y. Delgado	PARTNER	370.00	4.90	1,813.00
Randall L. Klein	PARTNER	380.00	84.20	31,996.00
Daniel P. Shapiro	PARTNER	420.00	1.70	714.00
Alan P. Solow	PARTNER	450.00	8.10	3,645.00
Dennis B. Black	PARTNER	450.00	.30	135.00
Gerald F. Munitz	PARTNER	450.00	5.80	2,610.00
Terry F. Moritz	PARTNER	450.00	17.50	7,875.00
Jeremy M. Downs	ASSOCIATE	190.00	36.00	6,840.00
Kathryn A. Pamentor	ASSOCIATE	275.00	16.20	4,455.00
Cassandra Boyd+	PARALEGAL	95.00	61.20	5,814.00
Kim M. Grice+	PARALEGAL	100.00	18.80	1,880.00
Mike Evans+	PROJECT ASSIS	50.00	2.90	145.00
Amy Kule+	PROJECT ASSIS	70.00	17.30	1,211.00
TOTAL TIME			<u>329.30</u>	<u>\$ 86,413.00</u>

LEAD ATTORNEY - Randall L. Klein

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KMART EQUITY COMMITTEE
C/O Ken Abdalla
9130 West Sunset Boulevard
Los Angeles, CA 90069

AUGUST 30, 2002
5217.001/129628
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REGARDING: KMART

FOR PROFESSIONAL SERVICES RENDERED

<u>DATE</u>	<u>DESCRIPTION</u>	<u>ATTY</u>	<u>HOURS</u>	<u>AMOUNT</u>
GENERAL ADMINISTRATION				
07/01/2002	Update docket and distribute information re same (.5); docket pleadings (3.0); prepare items re 7/9/02 hearing binder (4.5); update docket re 7/9/02 hearing items (1.0)	CXB+	9.00	855.00
07/02/2002	Meeting with RLK re committee conference call (.2); prepare contact lists re Traub & Saybrook (.8); distribute to J. Wharton copy of Saybrook & Traub contact lists (.2); update docket and distribute information re same (.5); update list of items re 7/9/02 hearing (1.3)	CXB+	3.00	285.00
07/02/2002	Conference with C. Boyd re service of applications	KAP	.20	55.00
07/02/2002	Office conference with RLK re budget, staffing and related issues	WCM	.50	175.00
07/03/2002	Update docket and distribute summary/pleadings re the same (.5); update docket re appearances (.2); draft notice re Traub & Goldberg, Kohn service (.5); distribute	CXB+	3.80	361.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	contact list to C. Williams (.1); prepare 7/9/02 hearing binder (1.0); distribute notice re Traub and Goldberg, Kohn service (.5); file notice of appearance and demand for service of papers (.5); docket pleadings (.5)			
07/08/2002	Update docket and distribute information re same (.5); docket pleadings (.5); update 7/9/02 hearing binder (3.5); review correspondence (.8)	CXB+	5.30	503.50
07/08/2002	Conference with RLK re case status, including remaining retention/appearance issues	JMD	.10	19.00
07/08/2002	Review motions and agenda for 7/9 hearing and discuss same with KAP	RLK	.20	76.00
07/09/2002	Update docket re Shanri, Builders' square adversary proceeding re lease interests	CXB+	.40	38.00
07/09/2002	Assemble information for attorney review re 7/9/02 and 7/10/02 hearing items (3.5); assemble documents re monthly statements (.2); telephone call to M. Russell re 7/10/02 hearing items (.1); update docket and distribute information re same (.5); docket pleadings (.5)	CXB+	4.80	456.00
07/09/2002	Meet with DTI twice re Issue Binders and board packets (.4); coordinate document pickup and dropoff (.3); meet with WCM re	LMR+	.80	76.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	status (.1)			
07/09/2002	Review various orders, scheduling matters and July 9th agenda (.4); conference with KAP re same (.1)	RLK	.50	190.00
07/10/2002	Prepare documents to be sent to client (.5); prepare FedEx material (.7); telephone call to DTI re delivery of documents (.1); draft letter to K. Abdalla re same (.2)	LMR+	1.50	142.50
07/11/2002	Distribute Saybrook retention motion to master and 2002 service lists (4.5); revise list of matters set for 7/24/02 hearing (2.8); update 7/24/02 hearing binder (.5); update docket and distribute information re same (.5); update case calendar (.5)	CXB+	8.80	836.00
07/11/2002	Distribution of 2002 Service list and master list	KMG+	5.60	560.00
07/11/2002	Telephone conference with FedEx re service issues	LMR+	1.00	95.00
07/11/2002	Review various emails and document attachments re general administration	RLK	.50	190.00
07/12/2002	Update docket and distribute information re same (.5); revise list of matters set for 7/24/02 and 7/25/02 (2.5); update case calendar (2.0); docket pleadings (.5)	CXB+	5.50	522.50

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/12/2002	File pleading with the Clerk's office 02 B 02474	MXE+	.80	40.00
07/12/2002	Conferences with KAP and C. Boyd re 7/24 hearings and docket for same	RLK	.30	114.00
07/15/2002	Update docket and distribute information re same (.5); correspondence to KAP re contact list (.1); assemble binder for review re Goldberg, Kohn assigned 7/24/02 hearing items (2.0); revise list of items set for 7/24/02 (1.5); assemble documents for attorney review re mechanics lien motion and related documents (1.9)	CXB+	6.00	570.00
07/15/2002	Review docket re omnibus hearing (.20); telephone conference with C. Boyd re preparing documents for hearing (.10) review and revise allocation chart (.20)	KAP	.50	137.50
07/16/2002	Revise list of Golberg Kohn assigned matters scheduled for 7/24/02 and 7/25/02 (4.5); update docket and distribute information re same (.5)	CXB+	5.00	475.00
07/16/2002	Conferences with KAP re pleadings for 7/24 and review of same	RLK	.40	152.00
07/17/2002	Telephone call with Z. Alfonso re working group lists (.2); update docket and distribute information re same (.6); docket pleadings (3.0)	CXB+	3.80	361.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/18/2002	Confer with RLK re New York meetings and going-forward strategy	APS	.30	135.00
07/18/2002	Update docket and distribute information re July 24th hearing (1.0); update docket and distribute information re same (.5); docket pleadings (2.0); prepare orders binder (.5)	CXB+	4.00	380.00
07/19/2002	Revise index re list of matters set for 7/24/02 (3.8); update docket and distribute information re same (1.0)	CXB+	4.80	456.00
07/19/2002	Meet with AXK re folders for due diligence materials	LMR+	.20	19.00
07/22/2002	Update docket and distribute information re same (.5); update list of items set for 7/24/02 and 7/25/02 hearings (2.5); review 7/24/02 hearing agenda and revise allocation chart re same (1.0); update 7/24/02 and 7/25/02 hearing binders (3.5)	CXB+	7.50	712.50
07/23/2002	Update docket re Saybrook retention	CXB+	.30	28.50
07/23/2002	Update hearing binder re 7/24/02 and 7/25/02 hearings (6.0); review amended agenda re 7/24/02 and update allocation chart re same (1.0); correspondence to P. Chow re 7/24/02 hearing (.2); telephone call to M. McDermott re 7/24/02	CXB+	7.90	750.50

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	hearing (.1); update docket and distribute information re same (.6)			
07/24/2002	Confer with RLK re open matters and results of Omnibus hearing	APS	.20	90.00
07/24/2002	Prepare certificate of service re interim retention orders of Goldberg, Kohn and Traub	CXB+	.30	28.50
07/24/2002	Update 7/24/02 and 7/25/02 hearing binders (6.0); update docket and distribute information re same (.5); docket pleadings (1.0)	CXB+	7.50	712.50
07/24/2002	Update 7/24/02 Hearing Binder	KMG+	1.70	170.00
07/26/2002	Update docket and distribute information re same (1.0); update case calendar (.5); telephone call with S. Balaschak re Kmart newsletter (.1); docket pleadings (.8)	CXB+	2.40	228.00
07/26/2002	Review and revise status chart	KAP	.40	110.00
07/29/2002	Update docket and distribute information re same (.5); prepare list of matters set for 8/29/02 hearing (1.3); prepare list of matters set for 9/13/02 (.2); prepare list of matters set for 9/25/02 (.3); docket pleadings (.6)	CXB+	2.90	275.50
07/29/2002	Office conference with CXB re: KMart list of matters set for 8/29 hearing date (.1); draft, edit and review task list re:	KMG+	4.10	410.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	update of hearing binder for 8/29 (1.0); began review of documents for same (.5); review and update docket per CXB instructions (2.5)			
07/30/2002	Update docket and distribute information re same (.7); docket pleadings (1.0); review correspondence (.3); prepare orders binder (.5); prepare stipulation binder (.5)	CXB+	3.00	285.00
07/30/2002	Update docket	KMG+	1.60	160.00
07/31/2002	Update case calendar (.3); prepare and distribute blackline re case calendar (.2); update docket and distribute information re same (1.0); docket pleadings (.4); review correspondence re subcommittee meetings (.2); prepare list of matters re 8/29/02 hearing (3.0)	CXB+	5.10	484.50
07/31/2002	Conference with KAP re reimbursement protocols (.1); work on the same re fee statements/applications (.1)	JMD	.20	38.00
07/31/2002	Conference with RLK re status, budget and documents (.30); telephone call to L. Leonard re documents (.10)	KAP	.40	110.00
07/31/2002	Begin distribution of 2002 parties list and Master Service lists	KMG+	2.10	210.00
	SUB-TOTAL FOR GENERAL ADMINISTRATION			13,078.50

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
AUTOMATIC STAY (RELIEF ACTIONS)				
07/09/2002	Update docket re Kobelarczyk automatic stay action and distribute information re same	CXB+	.50	47.50
07/22/2002	Correspondence with counsel re Great Time settlement	RLK	.10	38.00
07/25/2002	Review e-mails re General Time settlement and telephone call to McDermott re same	KAP	.20	55.00
SUB-TOTAL FOR AUTOMATIC STAY (RELIEF ACT				140.50
CASE ADMINISTRATION AND OBJECTIONS				
07/18/2002	Analysis of derivative and direct claims of shareholders	GFM	.80	360.00
07/19/2002	Distribute documents for attorney review re bar date order	CXB+	.20	19.00
SUB-TOTAL FOR CASE ADMINISTRATION AND OB				379.00
COMMUNIC W/DEBTORS, OFFICIAL COMMTT				
07/11/2002	Further revisions to outline and prepare questions for meeting with debtor	RLK	1.20	456.00
07/15/2002	Meeting with K. Abdalla, P. Traub and J. Rosenthal re case strategy and preparation of material for meeting with debtor on 7/16	RLK	2.60	988.00
07/16/2002	Meeting with Debtor and Equity Committee	RLK	3.50	1,330.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/23/2002	Calls/messages to G. Rice and J. Feeney re Saybrook issues	JMD	.10	19.00
07/30/2002	Attention to privilege issues including preliminary conference with FRK	APS	.30	135.00
07/31/2002	Confer with FRK re privilege issues (.2); consider strategy re the same (.1)	APS	.30	135.00
SUB-TOTAL FOR COMMUNIC W/DEBTORS, OFFICI				3,063.00
COURT HEARING ATTENDANCE				
07/07/2002	Review pleadings for hearing	KAP	.30	82.50
07/08/2002	Telephone conference with RLK re hearing issues	KAP	.10	27.50
07/09/2002	Review pleadings (.20); attend hearing on personal injury issues (1.40); telephone conference with C. Boyd re emergency motion (.10)	KAP	1.70	467.50
07/09/2002	Conferences with KAP re status of 7/9 hearings and prepare report for committee	RLK	.50	190.00
07/10/2002	Attend hearing on motions for relief from stay	KAP	.60	165.00
07/18/2002	Review omnibus hearing motions and prepare notes of same (1.50); telephone conference with W. Marcari re same (.10)	KAP	1.60	440.00
07/18/2002	Work on matters to be heard and adjourned re 7/24 hearing (.3); review of filings re same (.4)	RLK	.70	266.00

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
07/18/2002	Review of various filings re 7/24 hearing	RLK	.40	152.00
07/22/2002	Conference with CXB re omnibus hearings (.20); review and revise allocation chart and agenda (1.0); review and revise final orders (.30); conference with RLK re hearings and status (.20)	KAP	1.70	467.50
07/22/2002	Attention to schedule for 7/24 hearing	RLK	.10	38.00
07/23/2002	Update re agenda items for omnibus hearing	APS	.10	45.00
07/23/2002	Telephone conference with CXB re omnibus hearings and preparation for same	KAP	.20	55.00
07/23/2002	Review of proposed Orders tendered by M. McDermott	RLK	.70	266.00
07/24/2002	Prepare for and attend omnibus hearing (2.30); conference with RLK re same (.10); conference with APS re Saybrook hearing (.10)	KAP	2.50	687.50
07/24/2002	Prepare for omnibus hearing	RLK	.70	266.00
07/24/2002	Attend omnibus hearing, including presentation of retention applications	RLK	2.70	1,026.00
07/25/2002	Attend July Omnibus Hearing (3.10); telephone conference with W. Marcari re hearing (.30); conference with APS re hearing (.10)	KAP	3.50	962.50

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DATE	DESCRIPTION	ATTY	HOURS	AMOUNT
	SUB-TOTAL FOR COURT HEARING ATTENDANCE			5,604.00
	EQUITY COMMITTEE COMMUNICATIONS			
07/01/2002	Meeting with RLK and WCM to discuss investigation (1.0); telephone conference with counsel for equity committee member re stewardship issues and reviewing party issues (.2)	TFM	1.20	540.00
07/02/2002	Prepare for and attend equity committee meeting (1.8); further conferences with chairman re agenda and strategy (.3)	RLK	2.10	798.00
07/03/2002	Work on board of directors issues (.2); read S. Neely article re post petition shareholder meetings (.4); commenced preparation of memo (1.0)	GFM	1.60	720.00
07/09/2002	Work on outline of issues for committee meeting and meeting with other committees	RLK	1.00	380.00
07/09/2002	Further revisions to outline of issues	RLK	.70	266.00
07/10/2002	Prepare issue outline for Tuesday 7/23 meeting	RLK	1.50	570.00
07/11/2002	Consider privilege issues re financial advisors	APS	.10	45.00
07/11/2002	Conference with P. Traub re outline of case issues	RLK	1.50	570.00