



Michael S. Stine  
Vice President, Human Resources  
248-463-1665

Kmart Corporation  
Resource Center  
3100 W. Big Beaver Road  
Troy, Michigan 48084  
248-463-1000

August 23, 2004

Ken McAlpine-Chairman                      3274  
PO Box 87  
Sunland, CA 91041

Dear Ken McAlpine-Chairman:

Pursuant to the Worker Adjustment and Retraining Notification Act this correspondence serves as written notice that the following Kmart stores will be permanently closed on:

- October 25, 2004, Store # 3274, 8040 Foothill Blvd, Sunland, CA 91040-2939

Terminations will commence on or about October 25, 2004 and the number of affected employees is approximately, one hundred twenty (120). Please be advised that bumping rights are non-existent.

Should you desire additional assistance please contact me at the above phone number.

Sincerely,



Michael S. Stine  
MSS/kms