

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
EASTMAN KODAK COMPANY, <i>et al.</i> , ¹)	Case No. 12-10202 (ALG)
Debtors.)	Jointly Administered

INTERIM ORDER (A) AUTHORIZING, BUT NOT DIRECTING, THE DEBTORS TO PAY TAXES AND FEES AND (B) AUTHORIZING, BUT NOT DIRECTING, ALL FINANCIAL INSTITUTIONS TO HONOR ALL RELATED PAYMENT REQUESTS

Upon the motion (the “**Motion**”)² of Eastman Kodak Company, on behalf of itself and its affiliated debtors and debtors in possession in these chapter 11 cases (collectively, the “**Debtors**”), for entry of interim and final orders (a) authorizing, but not directing, the Debtors to pay certain income, sales, use, franchise and property taxes and other taxes, assessments, fees (including intellectual property fees) and similar charges and (b) authorizing, but not directing financial institutions to receive, process, honor, and pay all related checks and electronic payment requests, solely to the extent the Debtors have sufficient funds standing to their credit with such financial institutions; and upon consideration of the First Day Declaration; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Eastman Kodak Company (7150); Creo Manufacturing America LLC (4412); Eastman Kodak International Capital Company, Inc. (2341); Far East Development Ltd. (2300); FPC Inc. (9183); Kodak (Near East), Inc. (7936); Kodak Americas, Ltd. (6256); Kodak Aviation Leasing LLC (5224); Kodak Imaging Network, Inc. (4107); Kodak Philippines, Ltd. (7862); Kodak Portuguesa Limited (9171); Kodak Realty, Inc. (2045); Laser-Pacific Media Corporation (4617); NPEC Inc. (5677); Pakon, Inc. (3462); and Qualex Inc. (6019). The location of the Debtors’ corporate headquarters is: 343 State Street, Rochester, NY 14650.

² All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Motion.



proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that, except as otherwise ordered herein, no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. The Final Hearing shall be held on **February 15, 2012 at 11:00 a.m.** prevailing Eastern Time. Any objections or responses to the Motion shall be filed on or before **February 8, 2012 at 4:00 p.m.** and served on parties in interest as required by the Local Rules.

3. The Debtors are authorized, but not directed, in their discretion, to pay certain prepetition income, sales, use, franchise and property taxes and other taxes, assessments, fees (including intellectual property fees) and similar charges (as more fully described in the Motion, and collectively, the “**Taxes and Fees**”), including, but not limited to, all of those Taxes and Fees subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date; *provided, however*, that the Debtors are authorized, but not required, to pay only amounts due and payable as of the Petition Date and amounts that are or become due and payable between the Petition Date and the date that a Final Order is entered, unless otherwise ordered by this Court; *provided, further* that the aggregate amount so paid due to adjustments to prepetition income and franchise taxes shall not exceed \$1 million. Each Debtor that operates a Foreign Branch (as defined in the Motion) is authorized, but not directed, to continue to pay taxes in the ordinary course of business, consistent with past practice, in each jurisdiction in

which it operates. If the Debtors' payments on account of the Taxes and Fees exceed \$6 million, prompt notice shall be given to the U.S. Trustee and counsel for the agent for the DIP Financing.

4. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

5. In accordance with this Order (or other order of this Court), each of the financial institutions at which the Debtors maintain their accounts relating to the payment of the obligations described in the Motion is authorized, but not directed, to (a) receive, process, honor and pay all checks presented for payment and to honor all fund transfer requests made by the Debtors related thereto, to the extent that sufficient funds are on deposit in those accounts and (b) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated prior to, on or subsequent to the Petition Date, and shall have no duty of further inquiry nor any liability for relying on such representations or following the Debtors' instructions.

6. Nothing in the Motion or this Order, nor as a result of any payment made pursuant to this Order, shall be deemed or construed as an admission as to the validity or priority of any claim against the Debtors, an approval or assumption of any agreement, contract or lease pursuant to section 365 of the Bankruptcy Code or a waiver of the right of the Debtors, or shall impair the ability of the Debtors, to contest the validity and amount of any payment made pursuant to this Order.

7. To the extent that there is any inconsistency between the terms of the interim or final order approving the DIP Financing, if and when entered, and this Order, the terms of the interim or final order approving the DIP Financing, as applicable, shall govern.

8. The requirements set forth in Local Rule 9013-1(b) are satisfied.

9. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

10. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.

11. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

12. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.

Dated: January 19, 2012
New York, New York

/s/ Allan L. Gropper
United States Bankruptcy Judge