

Hearing Date: February 15, 2012 at 11:00 a.m. (Eastern Time)

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

)	Chapter 11
In re:)	
EASTMAN KODAK COMPANY, <i>et al.</i> , ²)	Case No. 12-10202 (ALG)
)	(Jointly Administered)
Debtors.)	
)	Ref. No. 31
)	

**NOTICE OF REVISED PROPOSED ORDER GRANTING DEBTORS' MOTION FOR
AN ORDER AUTHORIZING REJECTION OF CERTAIN UNEXPIRED
NONRESIDENTIAL REAL PROPERTY LEASES**

PLEASE TAKE NOTICE that on January 19, 2012 the Debtors' Motion for an
Order Authorizing Rejection of Certain Unexpired Nonresidential Real Property Leases (the

¹ All parties in interest with inquiries regarding the Motion should direct such inquires to Young Conaway Stargatt & Taylor, LLP.

² 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.



“**Motion**”). Attached as Exhibit A to the Motion was the proposed order (the “**Proposed Order**”).

PLEASE TAKE FURTHER NOTICE that the Debtors have received and incorporated informal comments to the Proposed Order (the “**Revised Proposed Order**”). Attached hereto as Exhibit A is a blackline reflecting the revisions to the Proposed Order. The undersigned counsel will present the Revised Proposed Order to the Honorable Allan L. Gropper, in Room 617 of the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”), One Bowling Green, New York, New York 10004, at a hearing to be held on **February 15, 2012 at 11:00 a.m. (Eastern Time)**.

Dated: February 13, 2012
New York, New York

/s/ Pauline K. Morgan

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EXHIBIT A

Blackline of Proposed Order

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

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

**ORDER AUTHORIZING REJECTION OF CERTAIN UNEXPIRED
NONRESIDENTIAL REAL PROPERTY LEASES**

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 an order authorizing the Debtors to (a) reject certain unexpired leases of nonresidential real property (the “**Vacated Leases**”) for certain premises (the “**Vacated Premises**”), set forth on Exhibit-1 attached hereto, effective as of the date hereof, (b) reject certain unexpired leases of nonresidential real property (the “**Closing Leases**”² and together with the Vacated Leases, the “**Leases**”) for certain premises (the “**Closing Premises**”² and together with the Vacated Premises, the “**Premises**”), set forth on Exhibit-2 attached hereto, effective as of the date that the Debtors tender possession of the applicable Closing Premises by (x) tendering

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 ~~not used but~~ otherwise not defined herein ~~are to be given~~ shall have the meanings ~~ascribed to them~~ set forth in the Motion.

physical possession of the keys to the Closing Premises; and (y) providing to the landlord and/or applicable leasing agent a signed letter tendering possession of the applicable Closing Premises and stating the Debtors' intention to unequivocally abandon any remaining assets in the applicable Closing Premises (such date for given Closing Premises, the "**Rejection Date**") and (c) take such actions as may be necessary to implement and effectuate the rejection of the Leases, including the abandonment of any personal property remaining at the Premises; 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 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 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. Pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, the Leases set forth on Exhibit 1 attached hereto, [which is incorporated herein by reference](#), are hereby rejected effective as of the Petition Date.
3. Pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, the Leases set forth on Exhibit 2 attached hereto, [which is incorporated herein by reference](#), are hereby rejected effective as of the applicable Rejection Dates.

4. Notwithstanding anything to the contrary in the Motion or this Order, pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, the Washington Lease is hereby rejected effective as of February 10, 2012. Herald Square does not waive any claims that it may have against the Debtors, whether or not such claims arise under, are related to, or are independent of the Washington Lease

~~4.5.~~ 5. The Debtors are authorized, but not directed, to abandon any personal property remaining at the Premises.

~~5.6.~~ 6. The Counterparties shall have until the date fixed by this Court in these chapter 11 cases pursuant to Bankruptcy Rule 3003(c)(3) to file any and all claims for damages arising from the Debtors' rejection of the Leases.

~~6.7.~~ 7. The Debtors and their estates do not waive any claims that they may have against the Counterparties, whether or not any such claims arise under, are related to, or are independent of the Leases.

~~7.8.~~ 8. Nothing in this Order shall impair, prejudice, waive or otherwise affect any rights of the Debtors and their estates to assert that any claims for damages arising from the Debtors' rejection of the Leases ~~is~~are limited to any remedies available under any applicable termination provisions of such Leases, or that any such claims are obligations of a third party, and not those of the Debtors or their estates.

~~8.9.~~ 9. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

~~9.10.~~ 10. The requirements set forth in Local Rule 9013-1(b) are satisfied.

~~10.11.~~ 11. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.

~~11.12.~~ 12. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

~~12.13.~~ 13. The requirements set forth in Bankruptcy Rules 6006 and 9014 are satisfied.

14. To the extent provided in section 362 of the Bankruptcy Code and otherwise under applicable law, without further order of this Court, each of the Debtors' counterparties to the Leases is prohibited from setting off or otherwise using any monies deposited by the Debtors with such counterparty as a security deposit or pursuant to another similar arrangement.

15. To the extent that any inconsistency exists between this Order and the terms of the Debtors' postpetition secured debtor-in-possession financing (the "DIP Financing") or any Order of this Court approving such DIP Financing, the terms of DIP Financing and the Order approving the same shall control.

~~13.16.~~ 16. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.

Dated: February ~~13~~, 14, 2012
New York, New York

Allan L. Gropper
United States Bankruptcy Judge

EXHIBIT 1

Vacated Leases

<u>Counterparty</u>	<u>Lease</u>	<u>Premises Subject to Lease</u>
<p>Louis & Henry Beckenstein 183 Prestige Park Road East Hartford, CT 06108</p> <p>With a copy to:</p> <p>Fremont Prestige Park, LLC c/o Fremont Management, LLC Attention: Jonathan M. Keller, Manager 65 LaSalle Road, Suite 202 West Hartford, CT 06107</p>	<p>Indenture of Lease dated July 31, 1976, by and among Louis M. Beckenstein and Henry Beckenstein and Fotomat Corporation, as amended by a letter dated August 15, 1996, from Konica Photo Service USA, Inc., f/k/a Fotomat Corporation, as amended by a Lease Assignment Agreement dated July 31, 1996, by and among Fotomat Corporation and Qualex together with Consents of Lessors dated August 27, 1996, and as further amended by letters dated June 26, 2001 and July 27, 2006 from Qualex to Fremont Prestige Park, LLC, successor in interest to Louis M. Beckenstein and Henry Beckenstein, as may have been further amended, modified or supplemented from time to time</p>	<p>88 Prestige Park Circle East Hartford, CT 06108</p>
<p>Merritt 7 Venture L.L.C. c/o ING Clarion Partners, LLC Attention: Katie Vaz 230 Park Avenue New York, NY 10169</p> <p>With copies to:</p>	<p>Lease, by and among Merritt 7 Venture L.L.C. and Kodak, as successor in interest to Kodak Polychrome Graphics LLC, dated as of January 15, 1998, as may have been amended, modified or supplemented from time to time</p>	<p>401 Merritt 7 Corporate Park Norwalk, CT 06851</p>

<u>Counterparty</u>	<u>Lease</u>	<u>Premises Subject to Lease</u>
<p>Merritt 7 Venture L.L.C. c/o Marcus Partners Management Attention: David P. Fiore - Principal 64 Danbury Road Wilton, CT 06897</p> <p>and</p> <p>Merritt 7 Venture L.L.C. c/o Marcus Partners Management Attention: David H. Keiran- Principal 75 Park Plaza Boston, MA 02116</p>		
<p>CCPQLX, Ltd. c/o Cardinal Capital Partners, Inc. Attention: Mr. Gil Besing 8411 Preston Road, 8th Floor Dallas, TX 75225</p> <p>With a copy to: Goldfarb & Fleece Attention: Steven B. Shore, Esq. 345 Park Avenue New York, NY 10154</p>	<p>Net Operating Lease, by and among CCPQLX, Ltd. and Qualex, dated as of March 1, 1997, as may have been amended, modified or supplemented from time to time</p>	<p>1355 Rock Mountain Blvd. Stone Mountain, GA 30083</p>

EXHIBIT 2
Closing Leases

<u>Counterparty</u>	<u>Lease</u>	<u>Premises Subject to Lease</u>
<p>Perimeter Summit Parcel 3 Limited Partnership Five Ravinia Drive Atlanta, GA 30346-2102</p> <p>With a copy to:</p> <p>Perimeter Summit Parcel 3 Limited Partnership Attention: General Manager 3003 Summit Boulevard, Suite 150 Atlanta, GA 30319</p>	<p>Lease Agreement, by and among Perimeter Summit Parcel 3 Limited Partnership and Kodak, dated as of February 15, 2001, as may have been amended, modified or supplemented from time to time</p>	<p>3003 Summit Blvd. Atlanta GA 30394</p>
<p>Herald Square LLC c/o REIT Management & Research LLC 1145 19th Street, NW Suite 301 Washington, DC 20036-3701 Attention: Area Manager</p> <p>with a copy to:</p> <p>Herald Square LLC 400 Centre Street Newton, MA 02458 Attention: Jennifer B. Clark</p>	<p>Lease Agreement, by and among Herald Square LLC and Kodak, dated as of October 22, 1993, as amended by that certain First Amendment to Lease, dated as of May 27, 2003, and as may have been further amended, modified or supplemented from time to time</p>	<p>1250 H Street, N.W. Suite 800 Washington, DC 20005</p>