

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

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Proposed Counsel to the Debtors and
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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

**NOTICE OF REVISED PROPOSED FINAL ORDER GRANTING DEBTORS' MOTION
FOR ENTRY OF INTERIM AND FINAL ORDERS (A) AUTHORIZING, BUT NOT
DIRECTING, THE DEBTORS TO (I) MAINTAIN AND ADMINISTER CUSTOMER
PROGRAMS AND (II) HONOR RELATED PREPETITION OBLIGATIONS TO
CUSTOMERS AND (B) AUTHORIZING, BUT NOT DIRECTING, ALL FINANCIAL
INSTITUTIONS TO HONOR ALL RELATED PAYMENT REQUESTS**

PLEASE TAKE NOTICE that on January 19, 2012 the Debtors' Motion for
Entry of Interim and Final Orders (A) Authorizing, But Not Directing, the Debtors to (I)
Maintain and Administer Customer Programs and (II) Honor Related Prepetition Obligations to

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.



Customers and (B) Authorizing, But Not Directing, All Financial Institutions to Honor All Related Payment Requests (the “**Motion**”). Attached as Exhibit B to the Motion was the proposed final order (the “**Proposed Final Order**”).

PLEASE TAKE FURTHER NOTICE that the Debtors have received and incorporated informal comments to the Proposed Final Order (the “**Revised Proposed Final Order**”). Attached hereto as Exhibit A is a blackline reflecting the revisions to the Proposed Final Order. The undersigned counsel will present the Revised Proposed Final 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/ Andrew G. Dietderich

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EXHIBIT A

Blackline of Proposed Final Order

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

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

**FINAL ORDER (A)-AUTHORIZING, BUT NOT DIRECTING,
THE
DEBTORS TO (I)-MAINTAIN AND ADMINISTER CUSTOMER PROGRAMS
AND (II)-HONOR RELATED PREPETITION OBLIGATIONS TO CUSTOMERS 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 (i)-continue to maintain and administer prepetition Customer Programs, promotions and practices and pay and otherwise honor their obligations to customers relating thereto in the ordinary course of business consistent with past practice and (ii) continue to develop and/or maintain and implement their Customer Programs postpetition in the ordinary course of business consistent with past practice, as the Debtors determine is necessary in the exercise of the

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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.

Debtors' business judgment and (b) authorizing, but not directing, financial institutions to receive, process, honor and pay all related checks and electronic payment requests; 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. The Debtors are authorized, but not directed, in their discretion; and in consultation with the Official Committee of Unsecured Creditors (the "Creditors' Committee"), to continue to honor, maintain and administer the Customer Programs developed and designed by the Debtors to acquire and retain customers, engender brand loyalty, develop and sustain a positive reputation in the marketplace, grow market share and, ultimately, generate sales and enhance long-term viability, in the ordinary course of business consistent with past practice, as the Debtors determine is necessary or appropriate in the exercise of the Debtors' business judgment; *provided, however*, that in no event shall the Debtors pay any Customer Obligations before such amounts are due and payable; provided, further, that in no event shall the Debtors modify any Customer Program outside the Debtors' ordinary course of business with respect to

obligations that arose prior to the Petition Date without reasonable consultation with the
Creditors' Committee.

3. To the extent that a Customer (a "Protected Setoff Claimant") has a valid
prepetition right of setoff or recoupment under applicable nonbankruptcy law as against any
Debtor (a "Protected Setoff Right"), and such Protected Setoff Right is allowable against such
Debtor under sections 502 and 506 of the Bankruptcy Code (the amount thereof being the
"Protected Amount"), each Debtor is authorized, but not directed, in its discretion and upon
consultation with the Creditors' Committee, to enter into an agreement with such Protected
Setoff Claimant without further order of this Court on the following terms:

a. Notwithstanding sections 362(a)(7) and 553 of the Bankruptcy Code, in
consideration of a Protected Setoff Claimant paying the Protected Amount to a
Debtor against whom it has a Protected Setoff Right, the Protected Setoff
Claimant shall be entitled to (i) assert its Protected Setoff Right, up to the
Protected Amount, against any postpetition amounts owed by such Protected
Setoff Claimant to such Debtor or (ii) obtain such other rights, as may be agreed
by the Debtor and the Protected Setoff Claimant (in consultation with the
Creditors' Committee) that will reasonably preserve the Protected Setoff
Claimant's ability to recover the Protected Amount including, but not limited to,
an administrative priority claim under section 503(b) of the Bankruptcy Code for
the Protected Amount or any portion thereof.

2.b. The Protected Setoff Claimant may exercise its Protected Setoff Right on the
effective date of the Debtors' confirmed plan of reorganization or such earlier

date as may be agreed between the Debtors and the Protected Setoff Claimant (in consultation with the Creditors' Committee).

~~3.4.~~ The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

~~4.5.~~ 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, without any duty to inquire otherwise and without any liability for following the Debtors' instructions.

~~5.6.~~ 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, the Ad Hoc Committee of Second Lien Holders (the "Second Lien Noteholder Committee") the Creditors' Committee, or the agent for the DIP Financing (as defined below), or shall impair the ability of the Debtors, or any other party in interest, to the extent applicable, to contest the validity and amount of any payment made pursuant to this Order. -

~~6.7.~~ To the extent that ~~there is~~ any inconsistency exists between this Order and the terms of the ~~interim~~ Debtors' postpetition secured debtor-in-possession financing (the "DIP Financing") or ~~final order~~ any Order of this Court approving ~~the~~ such DIP Financing, ~~if and when entered, and this Order,~~ the terms of such DIP Financing and the ~~interim or final order~~ Order approving the ~~DIP Financing, as applicable,~~ same shall ~~govern~~ control.

~~7.8.~~ The requirements set forth in Local Rule ~~9013-1~~(b) are satisfied.

~~8.9.~~ The requirements set forth in Bankruptcy Rule ~~6003~~(b) are satisfied.

~~9.10.~~ The requirements set forth in Bankruptcy Rule ~~6004~~(a) are satisfied.

~~10.11.~~ This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule ~~6004~~(h) or otherwise. _____

~~11.12.~~ This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Order.

~~Dated: February [•], 2012
New York, New York~~

~~United States Bankruptcy Judge~~

Dated: February [•], 2012
New York, New York

Allan L. Gropper
United States Bankruptcy Judge