

30. The following paragraphs summarize the Debtors' Procurement Policy:
- a. Foreign Vendor Agreements: To ensure that the Essential Foreign Vendors deal with the Debtors and the Debtor's Foreign Affiliates on Customary Trade Terms, prior to paying a Foreign Vendor Claim, the Debtors propose that they send a letter, substantially in the form annexed as Exhibit 1 to the Proposed Order (the "**Foreign Vendor Agreement**") to Essential Foreign Vendors, along with a copy of any order granting this motion (the "**Foreign Vendor Order**"). The Foreign Vendor Agreement requires that the Essential Foreign Vendor enter into an agreement with the Debtors in the form thereof, including, without limitation, the following information and terms:
- i. The amount (the "**Prepetition Claim Payment**") of such Essential Foreign Vendor's estimated Foreign Vendor Claim, accounting for any setoffs, other credits and discounts thereto, which shall be mutually determined in good faith by the Essential Foreign Vendor and the Debtors (but such Prepetition Claim Payment shall be used only for the purposes of determining such Foreign Vendor Claim under the Foreign Vendor Order and shall not be deemed a claim filed with or allowed by the Court, and the rights of all interested persons to object to such claim shall be fully preserved until further order of the Court); *provided, however*, that such Essential Foreign Vendor shall agree not to assert a claim in excess of the agreed upon Prepetition Claim Payment;

- ii. The Customary Trade Terms between such Essential Foreign Vendor and the Debtors, or such other terms as the Essential Foreign Vendors and the Debtors may agree, and the Essential Foreign Vendor's agreement to provide goods and services to the Debtors based upon Customary Trade Terms or upon such other favorable terms as the Debtors and the Essential Foreign Vendor may agree;
- iii. The Essential Foreign Vendor's acknowledgement that it has reviewed the terms and provisions of the Foreign Vendor Order and consents to be bound thereby;
- iv. The Essential Foreign Vendor's agreement that, to the extent applicable, it will continue to extend Customary Trade Terms to the Debtors' Foreign Affiliates; and
- v. The Foreign Vendor's agreement that it will not separately seek payment for any reclamation or similar claims outside the terms of the Foreign Vendor Order.

To the extent that the Debtors and the Essential Foreign Vendor in question have not, despite diligent efforts, entered into a Foreign Vendor Agreement, the Debtors shall have the right to pay such Essential Foreign Vendor if they determine, in the exercise of their business judgment, that payment of the Foreign Vendor Claim is necessary to the Debtors' reorganization. The Debtors shall have the right, but shall not be required, on a case-by-case basis, to obtain other written acknowledgements from Essential Foreign Vendors of the Customary Trade Terms to which the parties have agreed.

- b. Designation of Foreign Vendor Payments: Any checks used to pay Foreign Vendor Claims (to the extent checks are issued) or the Foreign Vendor Agreement (to the extent that payments are made by electronic transfer) shall contain a legend substantially in the following form:
  - i. "By accepting this payment, the payee agrees to the terms of that certain Order of the United States Bankruptcy Court of the Southern District of New York (the "**Bankruptcy Court**"), dated January \_\_, 2012, in the payor's chapter 11 case (Jointly Administered under Case No. 12-[\_\_\_\_\_] (\_\_\_\_)), entitled "[\_\_\_\_\_] Order (A) Authorizing, But Not Directing, the Debtors to Pay Certain Prepetition Obligations to Foreign Vendors, (B) Authorizing, But Not Directing Financial Institutions to Honor All Related Payment Requests" and submits to the jurisdiction of the Bankruptcy Court for enforcement thereof."

- c. Breach of Foreign Vendor Agreement: If an Essential Foreign Vendor refuses to supply goods and/or services to the Debtors on Customary Trade Terms following receipt of payment on its Foreign Vendor Claim, or fails to comply with any Foreign Vendor Agreement entered into between such Essential Foreign Vendor and the Debtors, the Debtors may, in their sole discretion and without further order of the Court, declare that such Essential Foreign Vendor is in breach of its Foreign Vendor Agreement with the Debtors. To the extent that such Essential Foreign Vendor fails to cure such default or reach a more favorable alternative agreement with the Debtors, the Debtors may (i) seek appropriate relief from the Court, including, without limitation, injunctive relief to compel performance pursuant to the existing Foreign Vendor Agreement; (ii) declare the payment of the applicable Foreign Vendor Claim a voidable postpetition transfer pursuant to section 549(a) of the Bankruptcy Code that the Debtors may recover from such Essential Foreign Vendor in cash or in goods; and (iii) demand that the creditor immediately return such payments in respect of the Foreign Vendor Claim to the extent that the aggregate amount of such payments exceeds the postpetition obligations then outstanding without giving effect to alleged setoff rights, recoupment rights, adjustments, or setoffs of any type whatsoever, and the Foreign Vendor Claim shall be reinstated in such an amount as to restore the Debtors and the Essential Foreign Vendor to their original positions, as if the Foreign Vendor Agreement had never been entered into and the payment of the Foreign Vendor Claim had not been made, with the intent being that the Debtors will return the parties to their respective positions immediately prior to the entry of the Foreign Vendor Order.
- d. Essential Foreign Vendor Matrix: The Debtors shall maintain a matrix (the “**Foreign Vendor Matrix**”) summarizing: (a) the name of each Foreign Vendor paid on account of a Foreign Vendor Claim; (b) the amount paid to each Foreign Vendor for its Foreign Vendor Claim; and (c) a brief description of the type of goods and services provided by each Foreign Vendor. Upon request, the Debtors shall provide the Foreign Vendor Matrix to the following parties (the “**Foreign Vendor Matrix Parties**”): (a) the Office of the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”); and (b) counsel to any official committee of unsecured creditors appointed in these chapter 11 cases (a “**Committee**”); *provided, however*, that the Critical Vendor Matrix Parties shall keep the Critical Vendor Matrix confidential and shall not disclose the information set forth in the Critical Vendor Matrix to anyone, including, but not limited to, any member of a Committee or individual lender without the prior written consent of the Debtors. Additionally, the Debtors shall provide the Foreign Vendor Matrix weekly to the agent for the DIP Financing (the “**DIP Agent**”) and shall provide the DIP Agent and its lending affiliates with timely access to information sufficient to enable the DIP Agent and its lending affiliates to monitor payments made, obligations satisfied and other actions taken pursuant to the Proposed

Orders (if entered); *provided, however*, that the DIP Agent shall keep the Foreign Vendor Matrix confidential; *provided, further*, that the DIP Agent may share the Foreign Vendor Matrix with individual lenders under the DIP Financing with the written consent of Kodak, which written consent shall not be unreasonably withheld.