

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

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

**STIPULATION REGARDING THE RETURN OF A  
PRE-PETITION MISDIRECTED TRANSFER TO DAVID STERN**

Eastman Kodak Company (“**Kodak**”), David Stern (“**Mr. Stern**”), First Manhattan Co. (“**FMC**”), and The Bank of New York Mellon (“**BNY Mellon**”, and together with Kodak, Mr. Stern, and FMC, the “**Parties**”), by and through the undersigned, stipulate and agree as follows (the “**Stipulation**”):

**RECITALS**

**A. General Recitals**

1. On January 19, 2012 (the “**Petition Date**”), Kodak and its affiliated debtors and debtors-in-possession (collectively, the “**Debtors**”) commenced their reorganization cases (the “**Cases**”) by filing voluntary petitions for relief under Chapter 11 of Title 11 of the U.S. Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”).

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<sup>1</sup> 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. On the Petition Date, the Bankruptcy Court approved the consolidation and joint administration of the Cases for procedural purposes only.

3. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors-in-possession, pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

4. On the afternoon of January 18, 2012, at Mr. Stern's direction, JP Morgan Chase Bank sent a wire transfer in the amount of \$500,000 (the "**Transfer**") to an account at BNY Mellon.

5. Mr. Stern intended for the Transfer to be credited to an investment account at a BNY Mellon affiliate. Due to inadvertence, however, the wire transfer instructions were misinterpreted, resulting in BNY Mellon depositing the Transfer into an account held by Qualex Inc. (the "**Qualex Account**").

6. The Debtors filed these bankruptcy cases on the morning of the Petition Date.

7. Shortly after the Petition Date, Mr. Stern, FMC, and BNY Mellon notified the Debtors that the Transfer had been made in error and have requested the return of the Transfer to BNY Mellon.

8. Following receipt of information from Mr. Stern, FMC, and BNY Mellon concerning the Transfer, the Debtors determined that the Transfer in fact had been made in error.

#### **AGREEMENT**

1. This Stipulation shall be effective only after it is approved by the Bankruptcy Court (the "**Effective Date**").

2. Upon the Effective Date, without the need for further action by the Parties, the Debtors will remit to BNY Mellon \$482,000 (the "**Returned Funds**").

3. Upon the Debtors' payment of the Returned Funds in accordance with the payment instructions received from BNY Mellon, Mr. Stern, FMC, and BNY, for themselves and on behalf of their respective current and former officers, directors, members, agents, employees, principals, professionals, affiliates, successors and assigns, shall be deemed to have waived and released any claims and causes of action arising out of, relating to, or in connection with the Transfer against the Debtors, their current and former officers, directors, members, agents, employees, principals, professionals, affiliates, successors and assigns, including, without limitation, any claims for damages of any kind, interest, costs and attorneys' fees.

4. This Stipulation constitutes the entire agreement between the Parties with respect to the matters addressed herein, and may not be modified except in a writing signed by the Parties.

5. This Stipulation shall be construed and interpreted in accordance with the laws of the State of New York, without regard to the choice of law principles of the State of New York.

6. The Bankruptcy Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Stipulation.

7. This Stipulation may be executed in counterparts, each of which when so executed and delivered will constitute an original, but all of which taken together will constitute one and the same instrument. Signatures delivered by facsimile or electronic mail shall be deemed originals.

[CONTINUED ON NEXT PAGE]

WHEREFORE, the undersigned have executed this Stipulation on behalf of the Parties.

Dated: June 25, 2012	Dated: June 14, 2012
Eastman Kodak Company  _____ <i>/s/ William G. Love</i> By: William G. Love Its: Treasurer	David Stern  _____ <i>/s/ David Stern</i> By: Its:
Dated: June 15, 2012	Dated: June 14, 2012
First Manhattan Co.  _____ <i>/s/ Neal K. Stearns</i> By: Neal K. Stearns Its: Senior Managing Director	The Bank of New York Mellon  _____ <i>/s/ Jonathan Goldblatt</i> By: Jonathan Goldblatt Its: Managing Director