

From: US-EKRetirees@kodak.com
Subject: Kodak Retiree Benefits Update
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On October 10, the company filed a motion with the U.S. Bankruptcy Court seeking approval of an agreement reached with the Official Committee of Retirees appointed by that Court under the Chapter 11 proceedings related to retiree benefits. A copy of the motion is available from <http://www.kccllc.net/kodak>. Click on Court Documents.

Following is a copy of the letter that will be mailed to all retirees, long-term disability recipients, and survivors describing the proposed agreement:

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Kodak

October 11, 2012

Dear Kodak Retiree, LTD Recipient or Survivor:

As you know, since January 19, 2012, Eastman Kodak Company and its U.S. subsidiaries have been in the process of reorganizing under Chapter 11. On October 10, 2012, the company filed a motion with the U.S. Bankruptcy Court for the Southern District of New York seeking approval of an agreement reached with the Official Committee of Retirees (referred to below as the "Committee") appointed by that Court under the Chapter 11 proceedings. The Committee was appointed to negotiate with the company on behalf of retirees, LTD recipients, and their spouses, dependents or survivors (together referred to below as "Retirees") concerning the future of retiree medical, dental, life insurance, and survivor income benefits. The Committee has retained legal and financial advisors and actuarial consultants to provide professional assistance. Retirees' pension arrangements are not impacted by the proposed agreement with the Committee.

As a part of the reorganization process, Kodak has been forced to make many difficult decisions, including reducing our global workforce by nearly 4,000 employees by the end of this year and exiting, winding down or initiating processes to sell several of our businesses. The company has outlined a plan to emerge from Chapter 11 as a much smaller, leaner enterprise focused on commercial, packaging and functional printing and enterprise services. The new Kodak must be positioned to operate profitably for the long-term in order to emerge from Chapter 11. As a consequence, we must reduce the company's cost structure in line with our smaller revenue and earnings base. The current cost structure of the company includes liabilities such as non-pension retiree benefits that are no longer sustainable.

The company has negotiated with the Committee to reach agreement on the future of these retiree benefits. After extensive discussions and consideration of information, Kodak and the Committee

have reached an agreement that provides for the following changes:

- Kodak will no longer provide retiree medical, dental, life insurance and survivor income benefits after December 31, 2012. Retirees will have a one-time opportunity to elect COBRA or conversion coverage as provided under the plans or as otherwise legally required. Retirees will be responsible for the full cost of the coverage they elect.
- Survivor income benefits paid pursuant to fully-paid MetLife annuity contracts for deaths occurring prior to January 1, 2013, will continue to be paid. Kodak will not pay for any other survivor income benefits after December 31, 2012.
- The committee will set up a trust or account from which some limited benefits for some Retirees may be provided. The trust or account will be funded by the following contributions from Kodak:
 - \$7.5 million dollars in cash,
 - A priority administrative claim against Kodak in the amount of \$15 million, and
 - A general unsecured claim against Kodak in the amount of \$635 million (actual recovery on this claim will depend on the bankruptcy process).

The agreement with the Committee is in full satisfaction of all claims by retirees and their spouses, dependents or survivors with respect to non-pension retiree benefits. The benefits to be paid from these funds have not yet been determined. In the coming weeks, the Committee will be communicating with the retiree community about the benefits that will be provided.

This notice is also to advise you that the medical and dental plans are being amended effective January 1, 2012, to reduce the period for submitting routine benefit claims for services received to twelve months from the date of service. As a result, all claims for medical and dental benefits incurred on or after January 1, 2012, must be submitted for payment within twelve months of the date that the claim was incurred. Claims incurred for medical or dental benefits prior to January 1, 2012, must be submitted by the earlier of (a) the second anniversary of the date that the claims was incurred or (b) December 31, 2012. The claims submission period for routine life insurance and survivor income benefits is not changing (i.e., within one year from the date of death).

We encourage you to review the Questions & Answers included with this letter to determine how these proposed changes will impact you. A copy of the motion that the company filed with the Bankruptcy Court is available on the Kodak Transforms website (www.kodaktransforms.com). The proposed agreement is subject to approval by the Bankruptcy Court and is scheduled to be heard at a hearing on October 29, 2012. The outcome of the hearing will be posted on the Kodak Transforms website.

We recognize that these changes will create challenges for our Retirees. However, this is one of the many difficult but necessary steps we must take to put the company on a path to emerge as a profitable, sustainable company.

Sincerely,

Patrick M. Sheller

Senior Vice President, General Counsel,
Secretary & Chief Administrative Officer
Eastman Kodak Company

Questions & Answers

What options will Retirees have for medical and dental coverage?

Individuals will be eligible to elect coverage under COBRA, a federal law that provides for the opportunity to continue medical and dental coverage at full cost. Retirees will be provided details on this coverage, including options and costs, in December.

Also, New York State and other states have been working to set up health care coverage pools to provide ready access to coverage for their citizens beginning in 2014 as required under the federal health care reform law. In the case of Medicare-eligible Retirees (generally those age 65 and over), supplemental medical coverage is widely available in the retail market.

Where can Retirees go to get information about their medical options?

Retirees can contact local insurance companies to find out what options are available in their area. If they are eligible for Medicare, Retirees can also contact the Centers for Medicare & Medicaid Services by phone at 1-800-MEDICARE, or go to the Medicare website at www.medicare.gov and use the Medicare Plan Finder tool. In order to view coverage similar to the coverage they have today, Retirees will need to select "Medicare health plans with drug coverage." In addition, individuals who are currently enrolled in GoldAnywhere PPO and USA Care PPO will receive more information from MVP Health Care about their options.

Does this mean that there won't be an annual enrollment for Retirees this year?

Given these changes, there will no longer be a need for an annual enrollment through Kodak.

What life insurance plans are being eliminated?

All retiree life insurance plans are being terminated, including the retiree-paid plans billed through Q&F Benefits Administration. Retirees will be provided information on how to convert their current coverage in January. Life insurance coverage provided through premiums paid directly to MetLife is not impacted by these changes.

How will I know if I am receiving a monthly survivor income benefit that will be terminated?

Anyone receiving a survivor income benefit to be terminated will be sent a written notice in November. Note that survivor income benefits are separate and apart from joint and survivor pension payments payable from the Kodak Retirement Income Plan.

Do these changes impact my monthly long-term disability ("LTD") payments?

No. However, medical, dental and life insurance coverage will terminate as described in the motion.

These actions are going to have a significant financial impact on Retirees. How can the company do this?

Kodak has taken a series of steps to enhance our liquidity and reduce our cost structure, including reducing our global workforce by nearly 4,000 employees this year and exiting or winding down several businesses and the proposed sale of our Personalized Imaging and Document Imaging businesses, and other measures to conserve costs. Over that same time, we have continued to pay retiree benefit costs totaling some \$10 million a month. While we are optimistic about the outlook for our future business in commercial, packaging and functional printing and enterprise services, there is no reasonable scenario that could support continued payment of retiree benefits.

Where can I get further information?

Besides the motion and a notice that will be appearing in the USA Today and Democrat and Chronicle newspapers, there is no additional information about these changes at this time. Other documents concerning this motion that are submitted to the Bankruptcy Court is available on the Kodak Transforms website (www.kodaktransforms.com). After conclusion of the hearing, updated information will be posted on this site along with a call center number. In addition, town hall meetings will be held to provide Retirees with additional information with respect to the termination and transition of their benefits. Retirees can also expect to hear directly from the Official Committee of Retirees about any programs that may be available in 2013 with the funds provided through the bankruptcy agreement.

All benefits information in this document is subject to applicable laws and the terms of the relevant plan documents, which will govern if there are any differences. The company reserves the right to amend or terminate any benefit plan at any time. This document summarizes the changes made to the applicable Kodak benefit plans and therefore constitutes a summary of material modifications to the summary plan descriptions previously provided to you in your You & Kodak Benefits Handbook and updates.

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