

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:	Jointly Administered under Case No. 08-46617
Polaroid Corporation, et al.,	Court Files No.'s:
Debtors.	08-46617 (GFK)
(includes:	
Polaroid Holding Company;	08-46621 (GFK)
Polaroid Consumer Electronics, LLC;	08-46620 (GFK)
Polaroid Capital, LLC;	08-46623 (GFK)
Polaroid Latin America I Corporation;	08-46624 (GFK)
Polaroid Asia Pacific LLC;	08-46625 (GFK)
Polaroid International Holding LLC;	08-46626 (GFK)
Polaroid New Bedford Real Estate, LLC;	08-46627 (GFK)
Polaroid Norwood Real Estate, LLC;	08-46628 (GFK)
Polaroid Waltham Real Estate, LLC)	08-46629 (GFK)
	Chapter 11 Cases Judge Gregory F. Kishel

APPLICATION TO EMPLOY C & A LAW

1. Polaroid Corporation and the above-captioned debtors (collectively, “**Polaroid**” or “**Debtors**”) respectfully applies to the Court for entry of an order authorizing the employment of C&A Law (“**CALAW**”) as an ordinary course professional and continue to provide legal services relating to the foreign operations of Polaroid and its affiliated entities.

2. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This is a core proceeding. Petitions commencing the Chapter 11 cases of Polaroid were filed on December 18, 2008 (the “**Cases**”). Venue of these cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The Cases are now pending before this Court.

3. This Application arises under 11 U.S.C. §§ 327, 328 and 330 and Federal Rules of Bankruptcy Procedure 2014 and 2016. This Application is filed under Local Rules 2014-1, 2016-1 and 9013-4. Polaroid seeks an order authorizing the employment of CALAW pursuant to § 327(e) of Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) of as special counsel to represent and advise Polaroid in regard to its foreign operations.

BACKGROUND

4. The Debtors filed voluntary petitions for relief and continue to operate as debtors-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code. No bankruptcy trustee or examiner has been appointed in these Cases. A committee of unsecured creditors was appointed pursuant to § 1102 of the Bankruptcy Code on January 8, 2009.

The Debtor’s Businesses

5. Polaroid was founded in 1937 by Edwin H. Land, a pioneer in instant film, camera and camera accessories. The company initially focused on the development and sale of polarized sunglasses and lenses and, in 1939, sold more than one million pairs of sunglasses. In 1948, Polaroid introduced the first commercial instant film camera, and since that time, has been a recognized technological leader and innovator in the instant film and camera industry and more recently a leading consumer electronics company. The company has grown into a global digital entertainment brand with net sales of approximately \$400 million. The “Polaroid” brand is a global consumer icon with substantial brand awareness and value. It ranks among the most recognizable brands in the world and triggers powerful, positive associations for consumers of all ages.

6. Polaroid was acquired by Petters Group Worldwide, LLC (“**PGW**”) in April 2005 and PGW owns 100% of Polaroid’s equity. Since the PGW acquisition, Polaroid has transitioned from a historic pioneering company with significant brand equity focused on analog

film into a Twenty-first Century global company focused on digital printing, consumer electronics and licensing. Polaroid designs, develops, manufactures and markets instant and digital imaging products. Building on its 70-year heritage of visual innovation, Polaroid has an established and growing portfolio of digital imaging and lifestyle products, including portable zero-ink printers, LCD televisions, portable DVD players (standard, portable and BluRay®), digital cameras, instant cameras, digital picture frames and GPS technology. Polaroid has established strong retail distribution relationships with major retailers in North America and Europe.

7. In the consumer electronics segment of its market, Polaroid has faced significant challenges arising from the commoditization in LCD television and portable DVD products. As a result, Polaroid has moved to a brand license business model for consumer electronics with the company's leading retailers, lowering financing requirements, inventory risks and reducing overhead costs.

8. Polaroid has a strong pipeline of new products and planned launches. In the digital printing segment of its market, Polaroid has been investing in new products featuring modern designs and proprietary technology, such as the Polaroid PoGO™ Instant Mobile Printer featuring ZINK™ Zero Ink printing technology. The Polaroid PoGO™ Instant Mobile Printer is the first truly mobile printer. Polaroid owns or has exclusive rights to emerging technologies that will enable it to further expand its presence in consumer and commercial markets. The company anticipates launching four technological breakthrough products in 2009.

Events Leading to Chapter 11 Filings

9. Despite having one of the most recognized brand names in the world, Polaroid has seen a decline in net sales over the past several years, coupled with increasing operational and product development costs. The company sustained substantial operating losses since the

business was acquired by PGW in April of 2005 and the company funded these losses primarily through the use of existing cash resources, favorable one-time cash flow impacts from the wind-down of the instant film business and the sale of other assets, including real estate. Prior to the commencement of the bankruptcy cases, Polaroid implemented cost-saving measures aimed at reducing overhead and increasing operational efficiencies. Nevertheless, the company's cash resources have been strained. Substantial capital requirements are necessary in order to return the company to profitability and Polaroid has been unable to obtain needed financing.

10. Consequently, the Debtors were forced to seek relief Chapter 11 of the Bankruptcy Code in order to reorganize its operations. The Debtors continue to operate their businesses as debtors-in-possession.

RELIEF REQUESTED

11. Polaroid is a company with an international reach, with subsidiary entities conducting operations worldwide. Polaroid has subsidiaries incorporated in the Republic of Mauritius. By this Application, Polaroid seeks to retain CALAW as legal and advisory counsel during the pendency of these Cases and to advise as to Mauritius Law requirements.

12. Polaroid believes that its best interest will be served by retaining CALAW to represent and advise it as to its Mauritius subsidiaries and operations. CALAW is a law firm registered under the Law Practitioners Act of Mauritius to provide legal services in Mauritius.

13. CALAW is specialized in financial services, corporate and insolvency law matters in Mauritius. Polaroid believes that CALAW's retention will not be duplicative of services being provided by other firms in these cases.

14. Polaroid has reviewed the Unsworn Declaration of J.D.L. Gilles Athaw and believes that neither CALAW nor any of its employees have any adverse connection with Polaroid, the United States Trustee and any employees of the United States Trustee, creditors of

Polaroid or any other party in interest.

15. To the best of Polaroid's knowledge, CALAW is a disinterested person as that term is defined in § 101(14) of the Bankruptcy Code, and does not hold or represent any interest adverse to Polaroid with respect to matters upon which it is to be engaged. CALAW has received no compensation from any party in connection with this case. In the event the United States Trustee, the Court, or other party in interest is concerned that CALAW is not "disinterested," Polaroid requests that a hearing be scheduled.

16. Compensation to CALAW will be based on the hourly rates of the lawyers representing and advising Polaroid's subsidiaries in Mauritius, plus reimbursement of actual, necessary expenses. Pursuant to Section 9(c) of this Court's Instructions for Filing a Chapter 11 Case the ("**Instructions**"), CALAW shall submit regular monthly invoices detailing the services rendered to Polaroid and the actual and necessary costs incurred by CALAW in representing Polaroid. By this Application, Polaroid seeks authorization to pay up to 80% of such fees and 100% of costs upon submission to and approval by the Debtors of an appropriate invoice providing sufficient detail as to the nature of services rendered and disbursements actually incurred. A copy of each such invoice will also be simultaneously submitted by CALAW to the United States Trustee's office. Payment of such invoices shall be subject to the prior approval of the Court in accordance with Sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and any orders of this Court.

WHEREFORE, Polaroid respectfully requests an order approving the employment of C&A Law as special foreign legal counsel and authorization to pay C&A Law's fees and expenses in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules and any other orders of this Court.

DATED: March 31, 2009

Polaroid Corporation

By: Mary L. Jefferson

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	Chapter 11 Cases Judge Gregory F. Kishel

**UNSWORN DECLARATION OF JACQUES DESIRE LAVAL GILLES LINDSAY
ATHAW**

I, Jacques Desire Laval Gilles Lindsay ATHAW, declare under penalty of perjury that:

1. I am a Director of C&A Law, a law firm duly authorized under the Law Practitioners Act of Mauritius to provide legal services in Mauritius ("CALAW"). I make this Declaration in support of Polaroid's Application for Authority to Employ CALAW. The facts set forth in this Declaration are personally known to me based on my review of the relevant documents and other pertinent information, and if called as a witness, I could and would testify thereto.

2. To the best of my knowledge, neither CALAW nor any of its employees have an

interest materially adverse to the interest of the estate or of any class of creditors, or equity security holders by reason of any direct or indirect relationship to, connection with, or interest in Polaroid, creditors of Polaroid, the United States Trustee or employees of the United States Trustee, or any other party in interest or their respective attorneys.

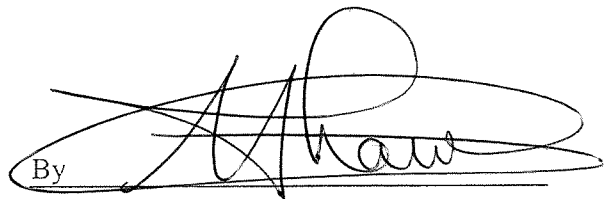
3. To the best of my knowledge, CALAW is not a creditor, an equity security holder, or an insider of the Debtors.

4. To the best of my knowledge, neither CALAW nor any of its employees are, or have been within the two years before the date of the filing of the petitions in these Cases, a director, officer or employee of the debtor.

5. To the best of my knowledge, neither CALAW nor any of its employees represent or hold any interest adverse to Polaroid with respect to the matters on which CALAW is being employed.

6. Neither CALAW nor I will share with any other person or entity any compensation for services provided to Polaroid.

DATED: 31 March, 2009

By 

J.D.L. Gilles ATHAW
Barrister
for C&A Law

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ORDER AUTHORIZING EMPLOYMENT OF C & A LAW

Upon the Application by Polaroid to employ C&A Law ("CALAW") in these Chapter 11 Cases, it appearing necessary and appropriate for the Debtors to be represented by CALAW in these Cases,

IT IS HEREBY ORDERED:

1. The employment of C&A Law, as special counsel for Polaroid in connection with the matters described in the Application, and on the terms described in the Application, is approved.
2. Polaroid is authorized to pay 80% of CALAW's fees and 100% of expenses under the procedures in Instruction 9(c) of this Court's published Instructions for Filing a Chapter 11

Case.

3. Fee applications by CALAW in these Cases may be heard on 90-day intervals from commencement of these Cases and are subject to the provisions of 11 U.S.C. §§ 328 and 330 and Local Rules 2016-1.

Dated: _____

Gregory F. Kishel
United States Bankruptcy Judge