

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re: **JOINTLY ADMINISTERED UNDER
CASE NO. 08-46617:**

POLAROID CORPORATION, ET AL., 08-46617 (GFK)

Debtors.

(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

**ORDER AUTHORIZING: (I) SALE OF
CERTAIN OF THE DEBTORS' ASSETS, FREE AND CLEAR OF LIENS,
CLAIMS, ENCUMBRANCES, AND INTERESTS;
AND (II) THE GRANTING OF RELATED RELIEF**

Upon the motion of the debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors" or "Sellers"), dated January 28, 2009, for entry of an Order pursuant to sections 105(a), 363, and 365 of title 11 of the United States Code the "Bankruptcy Code"), and Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"): (1) Approving Auction and Bidding Procedures; (2) Approving Break-Up Fee, Expense Reimbursement and Other Protections; (3) Approving Notice; (4) Authorizing Sale of Assets Free and Clear of Liens, Claims and Encumbrances, Subject to Higher or Better Offers; (5) Approving

Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (6) Granting Related Relief (the “Motion”); and the Court having granted a portion of the relief requested in the Motion at a hearing held on February 18, 2009 (the “Sale Authorization Hearing”); and the Court having heard the statements of counsel and the evidence presented in support of the balance of the relief requested in the Motion at hearings before the Court on April 6, 2009, April 9, 2009 and April 16, 2009 (the “Sale Hearing”); and upon the full and complete record of these Chapter 11 cases; and it appearing that the Court has jurisdiction over this matter; and it further appearing that the legal and factual bases set forth in the Motion, at the Sale Authorization Hearing, and at the Sale Hearing establish just cause for the relief granted herein; and it further appearing that the relief requested in the Motion is in the best interests of the Debtors, their creditors, and all other parties in interest in these Chapter 11 cases; therefore,

THE COURT HEREBY FINDS AND DETERMINES THAT:

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

B. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. The Court has jurisdiction to grant the relief requested in the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

D. The statutory predicates for the relief sought in the Motion are sections 105(a), 363, and 365 of the Bankruptcy Code, as supplemented by Bankruptcy Rules 2002, 6004, 6006 and 9014.

E. Notice of the Motion has been given to: (i) the US Trustee;¹ (ii) counsel for the official statutory committee of unsecured creditors appointed in these cases; (iii) counsel for the Potentially Secured Parties; (iv) the SEC; (v) the United States Attorney's Office for the District of Minnesota; (vi) the United States Attorney for the District of Minnesota and the Department of Justice in Washington, D.C.; (vii) the IRS; (viii) all relevant federal, state and local taxing authorities at their statutory addresses; (ix) all parties who have filed a request for service of all pleadings pursuant to and in accordance with Bankruptcy Rule 2002 as of the day prior to service of the Motion; (x) PLR Acquisition, LLC, a joint venture composed of Hilco Consumer Capital, L.P. and Gordon Brothers Brands, LLC (the "Buyer"); (xi) all non-Debtor parties to executory contracts, unexpired leases, and other agreements with the Debtors (entered into before or after the petition date of the applicable Debtor); (xii) the Back-Up Bidder; and (xiii) all known creditors of the Debtors.² Furthermore, the Debtors published or posted, pursuant to Bankruptcy Rule 2002(d) and 2002(1), the Sale Notice in or on: (i) *The New York Times*; (ii) *Minneapolis Star Tribune*; and (iii) on their website, www.polaroid.com.

¹ Capitalized terms not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement, the Motion and/or the Bidding Procedures, as applicable, unless the context requires otherwise.

² To the extent the Debtors have previously served any party identified herein via electronic mail, such service of the Sale Notice (as defined in the Motion) constitutes good and sufficient notice thereof.

F. As evidenced by the affidavits of service and publication filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Sale Hearing, the sale of certain of the Debtors' assets pursuant to that certain Asset Purchase Agreement, dated as of April 16, 2009 (the "Purchase Agreement") between the Debtors and the Buyer and the assumption and assignment of the Definitively Acquired Contracts has been provided in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002(a), 6004(a) and 6006(c), (ii) such notice was good and sufficient and appropriate under the circumstances of the Debtors' cases, and reasonably calculated to reach and apprise all holders of Claims and Interests (as hereafter defined) about the Sale and the assumption and assignment of the Definitively Acquired Contracts, and (iii) no other or further notice of the Motion, the Sale Hearing and/or the Sale shall be required except such notices as may necessary for the assumption and/or assignment of the Acquired Contracts set forth in this Order relative to the Notice of Change or except as otherwise contemplated by the Purchase Agreement and/or the Motion.

G. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities in these cases.

H. As demonstrated by: (i) the testimony and other evidence proffered or adduced at the Sale Hearing; and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors have marketed the assets being sold to the Buyer in the Sale (collectively, the "Acquired Assets") and conducted the Sale Process (as hereafter defined) in a non-collusive, fair and good faith manner that was in compliance with that

certain order of this Court entered on February 18, 2009, establishing bidding procedures and bid protections in connection with sale of certain of the Debtors' assets (the "Buyer Protections Order") and supplemental procedures order entered on April 7, 2009. A reasonable opportunity has been given to any interested party to make a higher and better offer for the Acquired Assets.

I. The Debtors diligently and in good faith marketed the Acquired Assets to obtain the highest and best offer for their businesses. The Debtors conducted a two-phase process in which they (i) solicited initial indications of interest and (ii) organized a formal auction in which Qualified Bidders (as defined in the Buyer Protections Order) were invited to participate (the "Sale Process"). After the Auction, the bid submitted by the Buyer was deemed the bid most likely to maximize the value of distributable proceeds to the Debtors' stakeholders. The bid submitted by Lithograph Legends, LLC (the "Back-Up Bidder"), which is set forth in that certain Asset Purchase Agreement by and among the Debtors and the Back-Up Bidder as supplemented by the terms of the bid(s) made by the Back-Up Bidder(s) at or in connection with the Auction (the "Back-Up APA") to be the bid most likely to maximize the value of their estates in the event the Sale to the Buyer was unable to close.

J. The terms and conditions set forth in the Purchase Agreement, and the Sale to the Buyer pursuant thereto, each are fair and reasonable and the Purchase Price payable to the Debtors pursuant to the Purchase Agreement constitutes the highest and best offer obtainable for the Acquired Assets.

K. Each of the Debtors, as applicable, (i) has full corporate or other power to execute, deliver and perform its obligations under the Purchase Agreement and all other

documents contemplated thereby or entered into in connection therewith, and the sale of the Acquired Assets by the Debtors has, in each case, been duly and validly authorized by all necessary corporate or similar action, (ii) has all of the corporate or other power and authority necessary to consummate the transactions contemplated by the Purchase Agreement, and such other documents contemplated thereby or entered into in connection therewith, and (iii) has taken all action necessary to authorize and approve the Purchase Agreement and such other documents contemplated thereby and the consummation by them of the transactions contemplated thereby or entered into in connection therewith. No third-party consents or approvals, other than those expressly provided for in the Purchase Agreement, are required for the Debtors to consummate such transactions.

L. Approval of the Debtors' entry into the Purchase Agreement and the consummation of the Sale at this time are in the best interests of the Debtors, their creditors, their estates, and other parties in interest.

M. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale prior to, and outside of, a plan of reorganization in that, among other things, the Sale enables the Debtors to yield the highest value for the Acquired Assets for the Debtors' creditors.

N. The Purchase Agreement and the Sale were negotiated, proposed and entered into by the Debtors and the Buyer without collusion, in good faith, and from arm's-length bargaining positions. Neither the Debtors nor the Buyer has engaged in any conduct that would cause or permit either the Purchase Agreement or any other related agreement to be avoided under section 363(n) of the Bankruptcy Code.

O. The Buyer is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby. In the absence of a stay pending appeal, the Buyer will be acting in good faith within the meaning of section 363(m) of the Bankruptcy Code in closing the Sale at any time after entry of this Order, notwithstanding the provisions of Bankruptcy Rule 6004(h).

P. The Buyer is not an “insider” of any of the Debtors, as that term is defined under section 101 of the Bankruptcy Code. The consideration provided by the Buyer pursuant to the Purchase Agreement (i) is fair and reasonable, (ii) is the highest and best offer for the Acquired Assets being purchased by such Buyer, (iii) will provide a greater recovery to the Debtors’ estates than would be provided by any other available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

Q. The sale of the Acquired Assets to Buyer will be a legal, valid, and effective transfer of the Acquired Assets and, except for the liabilities expressly assumed by Buyer pursuant to the Purchase Agreement (the “Assumed Liabilities”), will vest Buyer with all right, title, and interest of the Debtors to the Acquired Assets free and clear of claims against and interests in the Debtors and Claims, Liens or Encumbrances against the Acquired Assets (collectively, the “Claims and Interests” or if the context so requires, the “Claims or Interests”), including, but not limited to, (1) those that purport to give any party a right or option to effect any forfeiture, modification, right of first refusal, or termination of any Debtor’s or Buyer’s interest in the Acquired Assets, or any similar rights, (2) those relating to Taxes or assessments arising under or out of, in connection

with, or in any way relating to the ownership, operation, or use of the Acquired Assets prior to the consummation of the Sale (the “Closing”), (3)(a) those arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal or charges of any kind or nature, if any, including, but not limited to, any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership and (b) all debts arising in any way in connection with any agreements, acts, or failures to act, of the Debtors or the Debtors’ predecessors or affiliates, including without limitation, Claims, obligations, liabilities, demands, guaranties, options, rights, contractual or other commitments, restrictions, interests and matters of any kind and nature, whether known or unknown, contingent or otherwise, whether arising prior to or in connection with or subsequent to the commencement of these Chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including, but not limited to, claims otherwise arising under doctrines of successor liability, (4) any pension, welfare, compensation, or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plan of any Debtor, (5) any other employee, worker’s compensation, occupational disease or unemployment or temporary disability-related Claim, including, without limitation, claims that might otherwise arise under or pursuant to (a) the Employee Retirement, Income, Security Act of 1974, as amended, (b) the Fair Labor Standards Acts, as amended, (c) Title VII of the Civil Rights Act of 1964, as amended, (d) the Federal Rehabilitation Act of 1973, as amended, (e) the National Labor Relations Act, as amended, (f) the Worker Adjustment and Retraining Act of 1988, as amended, (g) the Age Discrimination and Employee Act of 1967, as

amended or (h) the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, (6) any products liability or similar Claims, whether pursuant to any state or federal laws or otherwise, (7) environmental Claims or Liens arising from conditions existing on or prior to the Closing (including, without limitation, the presence of hazardous, toxic, polluting, or contaminating substances or waste) that may be asserted on any basis, including, without limitation, under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. or similar state statute, (8) any bulk sales or similar law, and (9) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended.

R. Buyer would not have entered into the Purchase Agreement and Buyer would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estates, and their creditors, if the sale of the Acquired Assets to Buyer were not, except for the Assumed Liabilities, free and clear of all Claims and Interests of any kind or nature whatsoever, or if Buyer would, or in the future could, be liable for any of the Claims and Interests.

S. The Debtors may sell the Acquired Assets free and clear of all Claims and Interests of any kind or nature whatsoever, because in each case, one or more of the standards set forth in section 363(f)(1) through (5) of the Bankruptcy Code has been satisfied. Those holders of Claims and Interests and non-Debtors to Acquired Contracts who did not object, or who withdrew their objections, to the Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Claims and Interests and non-Debtors to Acquired Contracts who did object fall within one or more of the other subsections of 363(f) of the Bankruptcy Code and are adequately

protected by having their Claims and Interests that are secured by liens, security interests and similar encumbrances, if any, attach to the Net Proceeds of the Sale ultimately attributable to the property against or in which they assert such Claim or Interest, with the same validity, priority and effect and to the same extent that existed immediately prior to the consummation of the Sale and in all cases subject to any and all rights, claims and defenses that the Debtors may have with respect thereto.

T. The Debtors have demonstrated that it is an exercise of their sound business judgment to sell, assume and assign the Acquired Contracts to Buyer in connection with the Closing, and the assumption and/or assignment of the Acquired Contracts is in the best interests of the Debtors, their estates, and their creditors. The Acquired Contracts being sold and assigned to, and the Liabilities being assumed by, Buyer are an integral part of the Acquired Assets being purchased by Buyer and, accordingly, such assumption and assignment of the Acquired Contracts is reasonable and enhances the value of the Debtors' estates. Notwithstanding the forgoing, the assignment and assumption of the Acquired Contracts (but not including the Definitively Assumed Contracts referenced in other provisions of this Order) shall be subject to further notice and hearing.

U. The consideration provided by the Buyer pursuant to the Purchase Agreement is fair and adequate, represents consideration deemed valuable in law and constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and other applicable law. The Purchase Agreement has not been entered into with the intent to hinder, delay or defraud any of the Debtors' creditors or other parties in interest.

V. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. §158(a).

W. In the event the Debtors are unable to consummate the Sale with the Buyer, this Order, subject to the provisions of Paragraph 17 below, shall be deemed to apply to the transaction contemplated by the Back-Up APA and all references herein to (i) the Buyer (other than provisions related to the terms and conditions of the Buyer Protection Order, which are inapplicable to the Back-Up Bidder) shall apply to the Back-Up Bidder and (ii) the Purchase Agreement shall apply to the Back-Up APA, in each case, with equal force and effect.

NOW THEREFORE, THE COURT HEREBY ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:

General Provisions

1. The Motion, to the extent not already granted by the Buyer Protections Order, is granted in all respects, as further described herein.

2. The Objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included in such Objections, except as explicitly preserved on the record of the Sale Hearing or in this Order, are overruled on the merits.

Approval of the Purchase Agreement

3. The Purchase Agreement, and all of the documents, agreements (including, but not limited to, the Ancillary Agreements to be entered into pursuant to the Purchase Agreement), and transactions contemplated thereby or entered into in connection therewith be, and hereby are, approved in all respects.

4. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors are authorized and empowered to perform their obligations under and comply with the terms of the Purchase Agreement and all other documents and agreements contemplated thereby or entered into in connection therewith, including, but not limited to, the Ancillary Agreements to be entered into pursuant to the Purchase Agreement, and to consummate the Sale, pursuant to and in accordance with the terms and conditions of the Purchase Agreement and such documents and agreements.

5. The Debtors are authorized and empowered to execute and deliver, and are empowered to perform under, consummate and implement, the Purchase Agreement and all other documents and agreements contemplated thereby or entered into in connection therewith, including, but not limited to, the Ancillary Agreements to be entered into pursuant to the Purchase Agreement, together with all additional instruments and documents that the Debtors or the Buyer deem necessary or appropriate to implement of the Purchase Agreement and to effectuate the Sale, and to take all further actions as may be reasonably necessary or desirable for the purpose of assigning, transferring, granting, conveying and conferring to the Buyer or reducing to its possession, the Acquired Assets being sold to Buyer in the Sale, or as may be necessary or appropriate to the performance of the obligations contemplated by the Purchase Agreement.

6. This Order and the Purchase Agreement shall be binding in all respects upon all creditors of and holders of equity interests in any Debtor (whether known or unknown), any holders of Claims and Interests, all non-Debtors to the Acquired Contracts, all applicable successors and assigns of Buyer, the Debtors, and any subsequent trustees appointed in the Debtors' Chapter 11 cases or upon a conversion to

chapter 7 under the Bankruptcy Code and shall not be subject to rejection. Nothing contained in any Chapter 11 plan confirmed in these Chapter 11 cases or the confirmation order confirming any such Chapter 11 plan shall conflict with or derogate from the provisions of the Purchase Agreement and the other agreements and documents entered into in connection therewith (including the Ancillary Agreements or this Order) and no such plan or confirmation order shall discharge the obligations and Liabilities of the Debtors under such agreements and documents.

7. Except for the applicable Assumed Liabilities, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the Acquired Assets shall be transferred to Buyer and upon the Closing shall be, free and clear of all Claims and Interests of any kind or nature whatsoever (including, but not limited to, those described in paragraph Q of this Order), and all such Claims and Interests that are secured by liens, security interests and similar encumbrances of any kind or nature whatsoever shall attach to the Net Proceeds (i.e., the gross proceeds realized from the Sale of the Acquired Assets after the payment of the Break-Up Fee and Expense Reimbursement, to the extent applicable, the payment of the Transaction Fee to Houlihan Lokey Howard & Zukin Capital, Inc., and the payment of other unpaid professional fees) of the Sale in the order of their priority, with the same validity, force, and effect which they now have as against the Acquired Assets, subject to any rights, claims or defenses any of the Debtors may possess with respect thereto.

8. Except for Assumed Liabilities, as applicable, all Persons, including, but not limited to, all holders of debt instruments, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Claims or Interests of any kind or nature whatsoever against a Debtor or the Acquired Assets (whether legal

or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, a Debtor, the Acquired Assets, the operation of the Acquired Assets prior to the Closing, or the Sale are forever barred, estopped, and permanently enjoined from asserting against any Buyer, its affiliates, successors or assigns, its property, or the Acquired Assets, each such Person's Claims and Interests.

9. The sale of the Acquired Assets to Buyer pursuant to the Purchase Agreement constitute legal, valid, and effective transfers of the Acquired Assets, and shall vest the Buyer with all right, title, and interest of the Debtors in and to the Acquired Assets being purchased by the Buyer free and clear of all Claims or Interests of any kind or nature whatsoever other than the applicable Assumed Liabilities. Notwithstanding anything contained herein to the contrary, the Acquired Assets will vest in the Buyer subject to any Permitted Liens as provided in and permitted by the Purchase Agreement; provided, however, that Permitted Liens shall exclude such Claims or Interests that are released and/or removed from the Acquired Assets pursuant to this Order and sections 105, 363 and other applicable provisions of the Bankruptcy Code.

10. If any Person that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing Claims or Interests in a Debtor (with respect to an Asset) or the Acquired Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Claims or Interests which the Person has with respect to the Acquired Assets, then (a) the Debtors and the Buyer are hereby authorized and empowered to execute and file such statements,

instruments, releases and other documents on behalf of such Person with respect to the Acquired Assets and (b) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Order, which shall constitute conclusive evidence of the release of record and otherwise, of all Claims or Interests in or the Acquired Assets of any kind or nature whatsoever.

11. On the Closing, each of the Debtors' creditors and any other holder of Claims or Interests shall be deemed to have authorized the Buyer to execute such documents and take all other actions as may be necessary to release Claims or Interests in the applicable Acquired Assets purchased by such Buyer, if any, as such Claims or Interests may have been recorded or may otherwise exist.

Assumption and Assignment to the Buyer of Acquired Contracts

12. The Debtors' Motion, to the extent that it seeks the assumption and assignment to Buyer of the Acquired Contracts pursuant to section 365 of the Bankruptcy Code and the terms of the Purchase Agreement, shall be subject to further notice to non-Debtor counterparties to Acquired Contracts as set forth in and contemplated by the Motion and the Initial Notice and further order of this Court.

13. Notwithstanding the foregoing, the Debtors' assumption and assignment to the Buyer of the Definitively Acquired Contracts set forth in paragraphs 2 and 3 and paragraphs 5 through 8 of Schedule 11(b) of the Purchase Agreement pursuant to section 365 of the Bankruptcy Code and the terms of the Purchase Agreement, is hereby approved, and the requirements of section 365(b)(1) of the Bankruptcy Code with respect thereto are deemed satisfied. The Definitively Acquired Contracts are identified in Schedule 11(b) of the Purchase Agreement. Notice of the intention to assume these contracts, including but not limited to the Zink contract, was timely served with the Initial

Notice and the contracting party has not objected to either the cure amount, or the assumption and assignment of the contract. The Debtors shall promptly mail the Notice of Change to parties to Acquired Contracts which Notice of Change shall (a) provide the identity of the Buyer, (b) provide notice that any objections to the assumption and Assignment of the Acquired Contract arising as a result in the change in the Buyer's identity must be delivered to the Debtors, with a copy to the Buyer, and (c) provide notice of a hearing on any objections based upon the Notice of Change.

14. Notwithstanding anything to the contrary herein, nothing in this Order shall release or discharge the Buyer from any Liability or obligation to the Sellers under the Purchase Agreement with respect to an Acquired Contract.

15. Upon assumption and assignment of either the Definitively Acquired Contracts or the Acquired Contracts, such assumption and assignment shall be effective notwithstanding any provisions in any such contract which prohibit, restrict or condition the assignment, and Buyer shall be fully and irrevocably vested in all right, title and interest in such contracts.

16. Each non-debtor party to an Acquired Contract or a Definitively Acquired Contract is hereby forever barred, estopped, and permanently enjoined from asserting against Buyer other than Cure Cost established in accordance with the Motion and Initial Notice (if any), any default arising prior to the Closing.

Provisions Addressing Certain Objections

17. This paragraph of this Order, and an executed agreement identified of record, resolves the objection to the Sale Motion filed by Eyewear Brand Limited ("Eyewear") and StyleMark, Inc. to the Sale to the Buyer as the Prevailing Bidder (the

“StyleMark Objection”). In connection with the Closing of the sale of the Acquired Assets to the Buyer as the Prevailing Bidder, Polaroid is authorized, empowered and directed pursuant to Section 363 and 365 of the Code: (i) to assume and assign to the Buyer, and the Buyer (as Prevailing Bidder) shall assume, the following: (a) the Amended and Restated License Agreement dated as of September 1, 2008 between Polaroid Corporation and Eyewear (the “License Agreement” (which amended a License Agreement dated March 5, 2007); (b) the company agreement, company formation agreements, and bylaws with respect to Polaroid’s ownership interest in Eyewear; and (c) all consents and ratifications by Debtors (collectively, “Consents”) related to the trademarks, tradenames, licensed domain names, property and rights covered by the License Agreement and/ or Consents (collectively, the “Subject Polaroid Marks”), including without limitation, the Amended and Restated Sublicense Agreement dated September 1, 2008 between Eyewear, StyleMark, Inc. and StyleMark, A.G (“Sublicense”); and (ii) sell and convey to Buyer, and Buyer shall purchase, Polaroid’s ownership interest in Eyewear, subject to the terms of the Eyewear company agreement, formation agreements and bylaws. Notwithstanding any other provision of this Order, the Purchase Agreement or the Sale to the Buyer, the Subject Polaroid Marks are sold and assigned to the Buyer in connection with the Closing subject to the License Agreement, Consents and Sublicense and the rights of the parties thereunder as may be amended by and among Buyer and Eyewear/StyleMark. In the event that the Debtors seek to consummate a transaction with the Back-Up Bidder (as contemplated by paragraph W above), the StyleMark Objection remains in full force and effect and the Sale shall not be consummated to the Back-Up Bidder absent further order of the Court ruling on the

merits of the StyleMark Objection. The proponents of the StyleMark Objection and the Back-Up Bidder reserve, and would reserve, all of their rights with respect to the StyleMark Objection in connection with any Sale to the Back-Up Bidder.

18. Nothing contained in this Order, shall constitute an assumption and assignment by the Debtors to the Buyer of that certain license agreement entered into by Polaroid Corporation and Nikon Corporation (“Nikon”) dated July 15, 1996 (the “Nikon License Agreement”) that was rejected by the Debtors in a prior bankruptcy entitled *In re Polaroid Corporation, et al.*, BKY Case No. 01-10864 (the “Prior Polaroid Bankruptcy”) or otherwise operate to transfer the License Agreement to Buyer as an Assigned Contract. The Sale of the patents that are subject to the Nikon License Agreement under the Purchase Agreement remain, notwithstanding the Sale and anything to contrary set forth in this Order, subject in all respects to any rights that Nikon may have or may have acquired or retained in connection with the Prior Polaroid Bankruptcy under the Nikon License Agreement under section 365(n)(1)(B) of the Bankruptcy Code.

19. Nothing in this Order shall constitute an assumption and assignment by the Debtors to Buyer of any Oracle USA, Inc. (“Oracle”) license or otherwise operate to transfer any Oracle licensed products to Buyer as an Assigned Contract or otherwise. The Debtors shall not transfer or sell any Oracle software, contracts and/or licenses (the “Oracle Agreements”) to Buyer without the express consent of Oracle. To the extent any computer equipment is included in any sale or otherwise to be transferred to the Buyer, Debtor shall remove any and all Oracle licensed software installed on, or accessible via, computer equipment prior to such sale or transfer. Additionally, nothing in this Order shall permit Debtors to “share” or “split” use of their rights under the Oracle Agreements

with the Buyer nor to engage in any use during the period addressed via the Transition Services Agreement, or otherwise, which exceeds the scope of the Oracle Agreements' permitted uses.

20. Notwithstanding any provision of the Purchase Agreement or any other provision of this Order, the Sale shall be without prejudice to the rights of Global Industrial Services Limited, Harmer Holdings, LLC, Lorence Harmer, Summit Technology Group, LLC and Flextronics Sales and Marketing Consumer Digital, Ltd. (the "Summit Parties") all of whom expressly reserve all of their respective rights with respect to the transfer of any of their contracts with the Debtors to the Buyer. In addition, pending a further hearing with respect to such rights, no lock box arrangements established under any such contracts with the Summit Parties will be transferred to the Buyer.

21. Nothing contained in this Order or in the Purchase Agreement shall constitute an assumption or assignment by the Debtors to the Buyer of that certain document entitled "Earnout Agreement" dated as of December 31, 2007 between Polaroid Holding Company and Michael O'Shaughnessy ("MLO"). The Debtors and MLO reserve all rights, defenses and claims with respect to the Earnout Agreement.

Additional Provisions

22. The consideration provided by the Buyer for the Acquired Assets pursuant to the Purchase Agreement shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

23. The consideration provided by the Buyer for the Acquired Assets purchased by the Buyer pursuant to the applicable Purchase Agreement is fair and

reasonable and the Sale may not be avoided under section 363(n) of the Bankruptcy Code.

24. This Order (a) shall be effective as a determination that, except for the applicable Assumed Liabilities, at the Closing, all Claims and Interests of any kind or nature whatsoever existing as to the Debtors or Acquired Assets prior to the Closing have been unconditionally released, discharged and terminated as to the Buyer (including their successors and assigns) and their respective properties (including, without limitation, the Acquired Assets), and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other Persons who may be required by operation of law, the duties of their office, contract, or otherwise, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Acquired Assets.

25. Except as provided in the Purchase Agreement, after the Closing, the Debtors and their estates shall have no further liabilities or obligations with respect to any Assumed Liabilities and all holders of such Claims are forever barred and estopped from asserting such Claims against the Debtors, their successors or assigns, their property or their assets or estates.

26. Each and every federal, state, and local governmental agency or department is hereby empowered to accept any and all documents and instruments necessary and appropriate to record the Sale.

27. The so-called "bulk sale" laws in all applicable jurisdictions are waived or inapplicable as to the Sale.

28. Except as otherwise expressly provided in the Purchase Agreement, the Buyer shall have no Liability to pay wages, bonuses, severance pay, benefits (including, without limitation, contributions or payments on account of any under-funding with respect to any and all pension plans) or any other payment with respect to employees or former employees of the Debtors. Except as otherwise expressly provided in the Purchase Agreement, the Buyer shall have no Liability with respect to any collective bargaining agreement, employee pension plan, employee welfare or retention, benefit and/or incentive plan to which any Debtor is a party and relating to the Acquired Assets (including, without limitation, arising from or related to the rejection or other termination of any such agreement), and the Buyer shall in no way be deemed a party to or assignee of any such agreement, and no employee of the Buyer shall be deemed in any way covered by or a party to any such agreement, and except for Assumed Liabilities of the Buyer and except as otherwise expressly provided in the Purchase Agreement, all parties to any such agreement are hereby enjoined from asserting against the Buyer any and all Claims arising from or relating to such agreement. All notices, if any, required to be given to the Debtors' employees pursuant to the Workers Adjustment and Relocation Adjustment Act, or any similar federal or state law, shall be the sole responsibility of the Debtors as set forth in the Purchase Agreement.

29. Except as set forth in the Purchase Agreement and the Buyer Protections Order, any amounts that become payable by the Debtors to the Buyer (or any affiliate of the Buyer) shall constitute administrative expenses of the Debtors' estates under sections 503(b)(1) and 507(a)(1) of the Bankruptcy Code and be paid by the Debtors at the time and in the manner provided for in the Purchase Agreement or related documents and agreements without further court order.

30. All Persons who are in possession of some or all of the Acquired Assets on the Closing are hereby directed to surrender possession of the Acquired Assets to the Buyer at Closing.

31. Except for the Assumed Liabilities, the Buyer shall not have any Liability or responsibility for any Liability of the Debtors arising under or related to the Acquired Assets. Without limiting the generality of the foregoing and, except for the Assumed Liabilities assumed by it or as otherwise specifically provided herein and in the Purchase Agreement or any other agreement entered into by it in connection therewith, no Buyer shall be liable for any Claims against the Debtors or any of their predecessors or Affiliates, and the Buyer shall not have successor or vicarious liabilities of any kind or character, including, but not limited to, under any theory of antitrust, environmental, successor or transferee liability, labor law, de facto merger, or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any Liabilities of the Debtors arising prior to the Closing, including, but not limited to, Liabilities on account of any Taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of the Acquired Assets prior to the Closing. The consideration given by the

Buyer shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Buyer, releases which the Court holds shall be deemed to have been given in favor of the Buyer by all holders of Claims or Interests against or in the Debtors or their respective assets.

32. Under no circumstances shall the Buyer be deemed a successor to any Liability of or to the Debtors for any Claim or Interest against or in the Debtors or the Acquired Assets. Except for the Assumed Liabilities, the sale, transfer, assignment and delivery of the Acquired Assets shall not be subject to any Claims or Interests. Except for the Assumed Liabilities, as applicable, all Persons holding Claims or Interests against or in the Debtors or the Acquired Assets of any kind or nature whatsoever (including, but not limited to, the Debtors and/or their respective successors, including any trustees thereof, creditors, employees, unions, former employees and shareholders, administrative agencies, governmental units, secretaries of state, federal, state and local officials, maintaining any authority relating to any environmental, health and safety laws, and their respective successors or assigns) shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Claims or Interests of any kind or nature whatsoever against the Buyer, its property, successors and assigns, or the Acquired Assets, as an alleged successor or otherwise, with respect to any Claim or Interest of any kind or nature whatsoever such Person had, has or may have against or in the Debtors, the Debtors' estates, their respective officers, directors, shareholders, or the Acquired Assets. Following the Closing, no holder of any Claim or Interest in the Debtors shall interfere with the Buyer's title to or use and enjoyment of the

Acquired Assets based on or related to such Claim or Interest, or any actions that the Debtors may take in their Chapter 11 cases.

33. This Court retains jurisdiction to enforce and implement the terms and provisions of this Order, the Purchase Agreement, any waivers and consents thereunder, and of each of the agreements and documents executed pursuant to or in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Acquired Assets to the Buyer, (b) compel delivery of the Purchase Price or performance of other obligations under the Purchase Agreement owed by or to the Debtors, (c) resolve any disputes arising under or related to the Purchase Agreement, except as otherwise provided therein, or any of the agreements and documents executed pursuant thereto or in connection therewith, (d) interpret, implement, and enforce the provisions of this Order, and (e) protect the Buyer against (i) any of the Excluded Liabilities or (ii) the assertion of any Claims and Interests against the Acquired Assets (other than Assumed Liabilities, as applicable), of any kind or nature whatsoever; provided, however, with respect to a governmental unit's exercise of its police or regulatory powers other than the enforcement of a money judgment, the jurisdiction of any other tribunal shall not be reduced or impaired from that as set forth in any applicable, valid statutory grant of jurisdiction.

34. The transactions contemplated by the Purchase Agreement are undertaken by the Buyer without collusion and in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including, without limitation, the assumption and assignment of any of the

Acquired Contracts), unless such authorization is duly stayed pending such appeal. The Buyer is a purchaser in good faith of the Acquired Assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

35. The terms and provisions of the Purchase Agreement and all related ancillary documents shall be binding on the parties thereto, and the provisions of this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, and their creditors, the Buyer and its affiliates, successors, and assigns, and any affected third parties including, but not limited to, all Persons asserting a Claim or Interest in the Acquired Assets, notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall be binding. Nothing in this Order shall relieve the Buyer or any Debtor from any Liability it may have to the other under any express, unambiguous writing by either party in connection with the Purchase Agreement or the transactions contemplated thereby.

36. In the event of a conflict between this Order and the Purchase Agreement, the Purchase Agreement shall control.

37. In the event of a conflict between this Order or the Purchase Agreement, on the one hand, and the terms of any plan of reorganization confirmed in the Debtors' Chapter 11 cases or any order confirming such plan, on the other hand, this Order or the Purchase Agreement, as applicable, shall control.

38. The failure specifically to include any particular provisions of any of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such

provision, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety.

39. The Debtors are authorized and empowered to execute the Purchase Agreement or other related documents and agreements contemplated thereby or entered into in connection therewith and to consummate all transactions, and take any other actions, contemplated by, or necessary or appropriate to effectuate, the Purchase Agreement.

40. Each and every Debtor shall be jointly and severally liable for any breach or violation of the Debtors' representations, warranties or covenants under the Purchase Agreement, and shall execute and deliver such Contracts and take such further action as may be reasonably requested by the Buyer to evidence the intent and effect of the foregoing. To the extent any obligations of any of the Debtors under the Purchase Agreement are transferred or assigned to, or assumed by, any successor to (or assignee of) the Debtors, including the Debtors as reorganized, (i) such obligations shall be fully enforceable against such successor or assignee and (ii) to the extent provided in the Purchase Agreement, such obligations shall remain fully enforceable against the Debtors, or the Debtors as reorganized, as the case may be, on a joint and several basis.

41. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms hereof, without further order of the Court, provided that any such modification, amendment, or supplement does not have a material adverse effect on the Debtors' estates.

42. The provisions of this Order are non-severable and mutually dependent and, pursuant to Bankruptcy Rules 6004 and 6006, this Order shall not be stayed for 10 days and shall be effective immediately upon entry.

Dated: April 17, 2009

/e/ Gregory F. Kishel

HONORABLE GREGORY F. KISHEL
UNITED STATES BANKRUPTCY JUDGE