

**EXHIBIT 3**

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

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In re:

**JOINTLY ADMINISTERED UNDER  
CASE NO. 08-46617**

POLAROID CORPORATION, ET AL,

Court File No. 08-46617

Debtors.

Court File Nos:

(includes:

Polaroid Holding Company;  
Polaroid Consumer Electronics, LLC;  
Polaroid Capital, LLC;  
Polaroid Latin America I Corporation;  
Polaroid Asia Pacific LLC;  
Polaroid International Holding LLC;  
Polaroid New Bedford Real Estate, LLC;  
Polaroid Norwood Real Estate, LLC;  
Polaroid Waltham Real Estate, LLC)

08-46621 (GFK)  
08-46620 (GFK)  
08-46623 (GFK)  
08-46624 (GFK)  
08-46625 (GFK)  
08-46626 (GFK)  
08-46627 (GFK)  
08-46628 (GFK)  
08-46629 (GFK)

Chapter 11 Cases  
Judge Gregory F. Kishel

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**ORDER RE: DEBTORS' MOTION FOR AUTHORITY TO SELL CERTAIN  
OF DEBTORS' ASSETS FREE AND CLEAR OF LIENS, ETC.**

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At St. Paul, Minnesota, this 9th day of April, 2009.

These jointly-administered Chapter 11 cases came on before the Court on April 9, 2009, for a continued hearing on the Debtors' motion for authority to sell certain assets free and clear of liens and for related relief. Appearances were noted in the record. The Court ruled on certain issues by memorializing a decision on the record, pursuant to FED. R. CIV. P. 52(a) and FED. R. BANK. P. 9014. On the record thus made,

IT IS HEREBY ORDERED that, notwithstanding the provisions of the order of April 7, 2009 [Dkt. No. 266]:

NOTICE OF ELECTRONIC ENTRY AND  
FILING ORDER OR JUDGMENT  
Filed and Docket Entry made on **04/09/2009**  
Lori Vosejpka, Clerk, By jrb, Deputy Clerk

1. The hearing on the Debtors' motion for authority to sell certain assets free and clear of liens and for related relief has not been concluded, and is further continued so as to convene *after 9:30 a.m. CDT on Thursday, April 16, 2009*, in accordance with the remaining terms of this order.

2. The Debtors are authorized to reopen a competitive bidding process under color of their original motion, in which the participants shall be limited to PLR Holdings, LLC and Lithograph Legends, LLC. The bidding shall be conducted by a resumed auction, with the participants represented by persons duly authorized to commit each bidder to a final bid, without further consultation.

3. The reconvened auction shall convene at *9:30 a.m. CDT on Thursday, April 16, 2009*, at Courtroom 2A, United States Courthouse, 316 North Robert Street, St. Paul, Minnesota. The undersigned will preside over the proceedings in the courtroom, but solely for the purpose of observing, ensuring an accurate record, and maintaining order and decorum during the auction. The Debtors, through counsel or Houlihan Lokey Howard & Zuckin Capital, Inc. shall conduct the bidding process.

4. As conditions of the renewed bidding process:

- a. The proposed terms of sale shall be governed by the final forms of asset purchase agreements to which the Debtors (with the input of creditor-constituencies) and the two bidders have previously agreed; the previously-agreed LLC agreement for PLR Holdings, LLC; and the LLC agreement for Lithograph Legends, LLC to which the Debtors have previously agreed (subject to further input from the Debtors' Unsecured Creditors Committee). No further changes in any of these documents shall be proposed, demanded, or made, subject to the last point noted in the previous sentence.
- b. The value of the bid submitted by Lithograph Legends, LLC on April 9, 2009, via its objection to the proposed sale then pending [Dkt. No. 278] shall be the floor for all further bidding. Lithograph Legends, LLC will be deemed to have made an offer in that amount and of that composition as an opening bid for the resumed auction.

- c. The component of any bid consisting of an ownership interest in any entity purchasing the assets shall be no more than 25% of the initial equity in that entity, as defined by the Debtors during the course of the bidding process thus far. For the purposes of comparing the parties' bids, the value of any such equity component, as to PLR Holdings, LLC and Lithograph Legends, LLC, shall be calculated on the basis of \$650,000.00 per percentage-point-unit of the equity share offered as part of the bid, as previously established by the Debtors.
- d. The resumed bidding shall be conducted pursuant to the Bidding Procedures previously noticed by the Debtors, including the minimum bidding increment of \$150,000.00 in value.
- e. On the basis of the composition of its closed bid submitted pursuant to the order of April 7, 2009, PLR Holdings, LLC shall be deemed to have reached its "equity cap" pursuant to Term 4.b. In any subsequent bid it may reduce the amount of the equity component, but the aggregate value of any bid must exceed the immediately-preceding bid by Lithograph Legends, LLC by the minimum increment.

5. The Court will make a record of the proceedings during the auction. The parties are directed to participate in the auction solely by making successive competitive bids in value-increments, with the identity of subject assets considered pursuant to the procedures previously established by the Debtors to account for the value of "Excluded Assets" that are not to be purchased by a particular bidder, and other factors. With the specification of terms and procedures thus made in this order, the Court does not expect to have to rule on issues of law during the reconvened auction.

6. After the Debtors have declared the auction completed and closed, the undersigned will convene the hearing on the Debtors' motion, during which the proposed purchaser and the proposed consideration will be formally identified, evidence will be taken, and legal arguments as to a grant of authority to conduct the sale will be received.

7. On *Tuesday, April 14, 2009, at 10:00 a.m. CDT*, in Courtroom 2A, United States Courthouse, 316 North Robert Street, St. Paul, Minnesota, the Court will convene a status conference, to address any issue relating to the final terms of the LLC agreement that is to

accompany the bid of Lithograph Legends, LLC. Counsel concerned with that issue shall attend and be prepared to address and resolve the issue.

BY THE COURT:

*/s/ Gregory F. Kishel*

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GREGORY F. KISHEL  
UNITED STATES BANKRUPTCY JUDGE