

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

- - - - - X
In re: :
POLAROID CORPORATION, : Chapter 11
et al., :
Debtors. : Case No. 01-10864 (PJW)
: Jointly Administered
: Hrg: 3/25/04 @ 2:00 p.m. (Eastern)
- - - - - X Obj. Due: 3/3/04 @ 4:00 p.m. (Eastern)

**NOTICE OF FINAL APPLICATION OF KPMG LLP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES
INCURRED AS AUDITORS, ACCOUNTANTS, AND FINANCIAL ADVISORS
FOR THE DEBTORS FOR THE PERIOD OF
OCTOBER 12, 2001 THROUGH AND INCLUDING DECEMBER 17, 2003**

PLEASE TAKE NOTICE that on February 2, 2004,
the undersigned former attorneys for the above-captioned
debtors and debtors-in-possession (the "Debtors") filed
the attached **Final Application of KPMG LLP for Compensation
for Services Rendered and Reimbursement of Expenses
Incurred as Auditors, Accountants, and Financial Advisors
For the Debtors for the Period of October 12, 2001
through and Including December 17, 2003** (the "Applica-
tion").

PLEASE TAKE FURTHER NOTICE that objections, if
any, to the Application or the relief requested therein

must be made in writing, filed with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801, and served so as to be received by the following parties (the "Notice Parties") no later than **4:00 p.m. Eastern time on March 3, 2004** (the "Objection Deadline"): (i) the Plan Administrator for the Reorganized Polaroid, c/o Primary PDC, Inc., 1265 Main Street, Waltham, MA 02451 (Attn: Messrs. Kevin Pond and Mark Stickel); (ii) former counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Rodney Square, P.O. Box 636, Wilmington, Delaware 19899-0636 (Attn: Gregg M. Galardi, Esq.); (iii) counsel for the Debtors' prepetition lenders, Davis, Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017 (Attn: Marshall Huebner, Esq.); (iv) former counsel to the Committee and counsel to the Plan Administrator, Young Conaway Stargatt & Taylor LLP, The Brandywine Building, 17th Floor, 1000 West Street, P.O. Box 391, Wilmington, DE 19899 (Attn: Brendan Linehan Shannon, Esq.) and Akin, Gump, Strauss, Hauer & Feld, L.L.P., 590 Madison Avenue, New York, NY 10022 (Attn: Fred Hodara, Esq.); (v) counsel to One Equity Partners, Dechert, 30

Rockefeller Plaza, New York, NY 10112 (Attn: Joel H. Levitin, Esq.) and Dechert, 4000 Bell Atlantic Tower 1717 Arch Street, Philadelphia, PA 19103-2793 (Attn: Carmen J. Romano, Esq.); (vi) the Office of the United States Trustee, J. Caleb Boggs Federal Office Building, 844 King Street, Suite 2313, Wilmington, DE 19801 (Attn: Mark S. Kenney, Esq.); and (vii) KPMG LLP, 99 High Street, Boston, MA 02110 (Attn: Mr. Richard F. Reilly and Mr. Evan McGloughlin).

PLEASE TAKE FURTHER NOTICE that a hearing will be held with respect to the Application on **March 25, 2004 at 2:00 p.m. Eastern time** before the Honorable Peter J. Walsh in the United States Bankruptcy Court, 824 Market Street, Wilmington, Delaware 19801. Only those objections made in writing, timely filed with the Bankruptcy Court and received by the Notice Parties by the Objection Deadline, in accordance with the above procedures will be considered by the Bankruptcy Court at such hearing.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS TO THE APPLICATION ARE TIMELY FILED AND RECEIVED IN

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	x	Chapter 11
POLAROID CORPORATION,	:	Case No. 01-10864 (PJW)
et al.,	:	Jointly Administered
Debtors.	:	Hrg: 3/25/04 @ 2:00 p.m. (Eastern)
	x	Obj. Due: 3/3/04 @ 4:00 p.m. (Eastern)

**FINAL APPLICATION OF KPMG LLP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES
INCURRED AS AUDITORS, ACCOUNTANTS, AND FINANCIAL ADVISORS
FOR THE DEBTORS FOR THE PERIOD OF
OCTOBER 12, 2001 THROUGH AND INCLUDING DECEMBER 17, 2003**

Name of Applicant: KPMG LLP

Authorized to Provide Professional Services to: Polaroid Corporation, et al.

Date of Retention: As of October 12, 2001

Period for which compensation and reimbursement are sought: 10/12/01 - 12/17/03 (the "Entire Case Period")

Amount of Compensation sought as actual, reasonable, and necessary: \$1,041,096.00

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$7,236.00

This is a: monthly interim X final application

Prior Applications: See chart on next page.

**TIME SUMMARY TO INTERIM FEE APPLICATION OF
KPMG LLP
(OCTOBER 12, 2001 THROUGH AND INCLUDING DECEMBER 17, 2003)**

Firm	Docket Index	Date Filed	Fees Requested	80% of Fees	Expenses Requested	Objection Deadline	CONO	Fee Report	20% Hold-Back	Hold-Back Paid
KPMG										
Oct. Monthly 01	485	1/11/01	83,565.00	66,852.00	285.00	1/31/02	896	695	16,713.00	Y
Nov. Monthly 01	618	2/13/02	121,653.00	97,322.40	784.00	3/5/02	887	695	24,330.60	Y
Dec. Monthly	619	2/13/02	89,905.00	71,924.00	651.00	3/5/02	885	695	17,981.00	Y
1 st Quarter	621	2/14/02								
Jan. Monthly 02	649	2/25/02	87,782.00	70,225.60	1,273.00	3/18/02	886	711	17,566.40	Y
Feb. Monthly 02	754	3/25/02	13,375.00	10,700.00	247.00	4/15/02	895		2,675.00	Y
Mar. Monthly 02	903	4/25/02	18,415.00	14,732.00	221.00	5/15/02	1377		3,683.00	Y
2 nd Quarter	1003	5/15/02								
Apr. Monthly 02	1032	5/28/02	85,283.00	68,226.40	314.00	6/17/02	1238		17,056.60	Y
May Monthly 02	1206	6/25/02	22,583.00	18,066.40	57.00	7/15/02	1344/ 1378		4,516.60	Y
June Monthly 02	1341	7/26/02	54,350.00	43,661.00	181.00	8/15/02	1514		10,689.00	Y
3 rd Quarter	1397	8/19/02								
July Monthly 02	1416	8/27/02	74,578.00	59,662.40	346.00	9/16/02	1515	1454/ 2439	14,915.60	Y
August Monthly 02	1487	9/30/02	7,700.00	6,160.00	824.00	10/21/02	1527	1523	1,540.00	Y
September Monthly 02	1557	11/4/02	15,400.00		104.00	11/25/02	1695	1602	3,080.00	Y

Firm	Docket Index	Date Filed	Fees Requested	80% of Fees	Expenses Requested	Objection Deadline	CONO	Fee Report	20% Hold-Back	Hold-Back Paid
4 th Quarterly	1604									
October Monthly 02	1652	12/3/02	24,150.00	19,320.00	56.00	12/23/02	1696	2439	4,830.00	Y
November 02 - February 03	2386	2/27/03	4,459.00	3,567.20	0.00	3/19/03	2456	2439	891.80	Y
July 2002 - T	2382	2/27/03	7,168.00	5,734.40	0.00	3/19/03	2452	2439	1,433.60	Y
August 2002 - T	2383	2/27/03	15,821.00	12,656.80	18.00	3/19/03	2453	2439	3,164.20	Y
September 2002 - T	2384	2/27/03	22,551.00	18,040.80	0.00	3/19/03	2454	2439	4,510.20	Y
October 2002 - T	2385	2/27/03	4,732.00	3,785.60	0.00	3/19/03	2455	2439	946.40	Y
June 03 Monthly	3280	10/23/03	32,232.00	25,785.60	275.00	11/12/03	3431	3496	6,446.40	N
July Monthly 03	3281	10/23/03	30,255.00	24,204.00	246.00	11/12/03	3433	3496	6,051.00	N
August 03 Monthly	3282	10/23/03	58,398.00	46,718.40	415.00	11/12/03	3435	3496	11,679.60	N
September 03 Monthly	3283	10/23/03	33,775.00	26,220.00	392.00	11/12/03	3436	3496	6,555.00	N
October Monthly 03	3419	11/17/03	88,865.00	71,092.00	511.00	12/8/03	3561	3496	17,773.00	N
November Monthly 03	3538	12/9/03	18,713.00	14,970.40	36.00	12/29/03	3685		3,742.60	N
December Monthly 03	3706	1/13/04	25,388.00	20,310.40	0.00	2/2/04			5,077.60	N

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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POLAROID CORPORATION,	:	Case No. 01-10864 (PJW)
et al.,	:	Jointly Administered
Debtors.	:	Hrg: 3/25/04 @ 2:00 p.m. (Eastern)
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**FINAL APPLICATION OF KPMG LLP FOR COMPENSATION
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES
INCURRED AS AUDITORS, ACCOUNTANTS, AND FINANCIAL ADVISORS TO
THE DEBTORS FOR THE PERIOD OF
OCTOBER 12, 2001 THROUGH AND INCLUDING DECEMBER 17, 2003**

KPMG LLP ("KPMG"), auditors, accountants and financial advisors for Polaroid Corporation and certain of its subsidiaries and affiliates in their capacities as debtors and debtors-in-possession in these jointly administered chapter 11 cases (collectively, for purposes of this application, the "Debtors"), hereby files its final application for allowance and payment of compensation for services rendered and reimbursement of expenses incurred (the "Final Application") for the period from October 12, 2001 through and including December 17, 2003 (the "Entire Case Period"). In support of the Final Application, KPMG respectfully represents the following:

JURISDICTION

1. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. Venue is proper under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2).

2. The statutory predicates for the relief requested herein are sections 330 and 331 title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

RETENTION AND EMPLOYMENT OF KPMG

3. On October 12, 2001 (the "Petition Date"), the Debtors each filed a voluntary petition in this Court for reorganization relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

4. On October 17, 2001, the Debtors filed their Application for Order Authorizing the Retention and Employment Nunc Pro Tunc of KPMG LLP as Accountants and Auditors to the Debtors. On November 5, 2001, the Bankruptcy Court entered its Order (the "Retention Order") Authorizing the Employment and Retention, nunc pro tunc [to the Petition Date], of KPMG LLP as Accountants and Financial Advisors to the Debtors (Docket No. 135), a true and correct copy of which is annexed hereto as Exhibit A.

5. Pursuant to the terms of the Retention Order, KPMG was authorized to:

- (i) conduct an audit in accordance with generally accepted auditing standards;

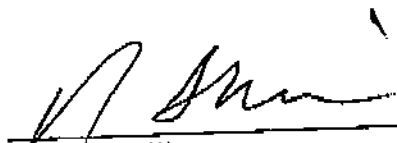
- (ii) Analysis of accounting issues and advice to the Debtor's management regarding the proper accounting treatment of events;
- (iii) performance of other accounting services for the Debtor as may be necessary or desirable;
- (iv) provide advice and assistance to the Debtor regarding preparation of the tax provision for the financial statements issues, including, but not limited to, assistance in estimating net operating loss carryforwards, international taxes, and state and local taxes;
- (v) Participate with the auditors in determining the reasonableness of the tax provision and tax valuation reserves; and
- (vi) provide other consulting, advice, research, planning or analysis regarding tax issues as may be requested from time to time.

As set forth in detail in each of the monthly applications filed by KPMG in these bankruptcy cases, as listed in the chart above, KPMG has performed valuable services for the Debtors and is, accordingly, entitled to final approval of \$1,041,096.00 in fees for services provided to the Debtors during these bankruptcy cases and the reimbursement of \$7,236.00 in expenses incurred on the Debtors' behalf during these bankruptcy cases.

WHEREFORE, KPMG respectfully requests that the Court enter an order granting final approval, and directing payment of (i) compensation for professional services rendered for the Debtors in the sum of \$1,041,096.00; (ii) reimbursement of actual

and necessary expenses incurred during the Entire Case Period in the sum of \$7,236.00; and
(iii) such other and further relief as is just and proper.

Dated: Boston, Massachusetts
February 2, 2004



Richard Reilly
KPMG LLP
99 High Street
Boston, Massachusetts 02110
(617) 988-1000

Auditors, Accountants and
Financial Advisors for Debtors

EXHIBIT A

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:                : Chapter 11
                    :
POLAROID CORPORATION, : Case No. 01-10864 (PJW)
  et al.,            :
                    :
                    : Debtors.      : Jointly Administered
                    :
-----x

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ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION, NUNC PRO TUNC, OF KPMG LLP AS ACCOUNTANTS AND FINANCIAL ADVISORS TO THE DEBTORS

This matter having come before the Court on the Application, dated October 17, 2001 (the "Application") of Polaroid Corporation ("Polaroid") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession (collectively, the "Debtors"), for an order, pursuant to sections 327(a), 328 and 1107(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code"), Rules 2014(a) and 2016 and of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), authorizing the retention and employment of KPMG LLP as accountants and auditors to the Debtor; and the Court having reviewed the Application and the Affidavit of Alfred Woollacott, III (the "Woollacott Affidavit"), sworn to October 11, 2001; and the Court

DKT. NO. 135
DT. FILED 11/5/01

being satisfied with the representations made in the Application and affidavits that KPMG LLP represents no interest adverse to the estates, that it is a "disinterested person" as that term is defined under section 101(14) of the Bankruptcy Code, that its employment is necessary and in the best interests of the Debtors' estates, creditors and other parties-in-interest; and it appearing that notice of the Application was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application be, and it hereby is, GRANTED.

2. Pursuant to sections 327(a), 328 and 1107(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, the Debtor is hereby authorized to employ KPMG LLP as its accountants and auditors, nunc pro tunc, as of the date of commencement of this case, to perform the services set forth in the Application.

3. KPMG LLP shall be compensated in accordance with the procedures set forth in sections 328, 330 and

331 of the Bankruptcy Code and such Bankruptcy Rules and Local Bankruptcy Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.

Dated: Wilmington, Delaware

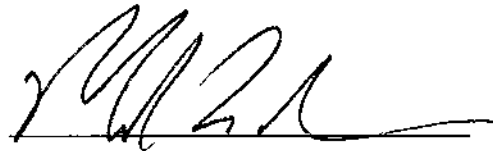
~~October~~ 5, 2001

Nov. 5


United States Bankruptcy Court Judge

CERTIFICATE OF SERVICE

I, Mark L. Desgrosseilliers, hereby certify that on the 2nd day of February, 2004, I caused the foregoing **Final Application of KPMG LLP for Compensation for Services Rendered and Reimbursement of Expenses Incurred as Auditors, Accountants, and Financial Advisors For the Debtors for the Period of October 12, 2001 through and Including December 17, 2003** to be served on the parties listed on Exhibit A, attached hereto, in the manner indicated thereon.

A handwritten signature in black ink, appearing to read 'M. Desgrosseilliers', written over a horizontal line.

Mark L. Desgrosseilliers

EXHIBIT A
Polaroid Fee Application Parties (KPMG)

Mr. Kevin Pond
Reorganized Polaroid
f/k/a Primary PDC, Inc.
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Waltham, MA 02451
By Overnight Courier

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