

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
POLAROID CORPORATION, et al.,) Case No. 01-10864 (PJW)
) (Jointly Administered)
Debtors.)
) **Objection Due By: February 19, 2004 at 4:00 p.m.**
) **Hearing Date: March 25, 2004 at 2:00 p.m.**

**FINAL APPLICATION OF PACHULSKI, STANG, ZIEHL,
YOUNG, JONES & WEINTRAUB P.C. FOR COMPENSATION FOR
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS
CO-COUNSEL TO THE EXAMINER FOR THE PERIOD FROM
FEBRUARY 24, 2003 THROUGH DECEMBER 17, 2003**

Name of Applicant: Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C. ("PSZYJ&W").

Authorized to Provide Professional Services to: Perry M. Mandarino, Examiner.

Date of Retention: effective as of February 24, 2003.

Period for which Compensation and Reimbursement is Sought: February 24, 2003 through December 17, 2003.

Amount of Compensation Sought as Actual, Reasonable and Necessary: \$134,735.00.

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: \$53,616.68.

This is a: __ monthly __ interim x final application.

The total time expended for fee application preparation is approximately 3 hours and the corresponding compensation requested is approximately \$1,000.00.²

² The actual number of hours expended preparing this Application and the corresponding compensation requested will be set forth in PSZYJ&W's subsequent fee applications.

Prior Applications Filed:

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
07/02/03	02/24/03 – 03/31/03	\$ 6,225.50	\$ 2,738.61	\$ 6,225.50	\$2,738.61
07/21/03	04/01/03- 04/30/03	\$13,968.00	\$ 7,065.52	\$13,968.00	\$7,065.52
09/15/03	05/01/03 – 05/31/03	\$22,350.00	\$ 1,591.19	\$22,350.00	\$1,591.19
10/24/03	06/01/03 – 06/30/03	\$56,238.50	\$22,117.25	\$56,238.50	\$22,117.25
11/21/03	07/01/03 – 07/31/03	\$ 6,632.00	\$ 2,856.78	\$ 6,632.00	\$ 2,856.78
12/03/03	08/01/03 – 08/31/03	\$22,408.50	\$10,987.27	\$22,408.50	\$10,987.27
12/22/03	09/01/03 – 09/30/03	\$ 2,619.50	\$ 3,177.01	\$ 2,619.50	\$ 3,177.01
01/05/04	10/01/03 – 10/31/03	\$ 1,454.50	\$ 1,808.15	\$ 1,454.50	\$ 1,808.15
01/26/04	11/01/03 – 11/30/03	\$ 1,575.00	\$ 586.67	Pending	Pending
01/29/04	12/01/03 – 12/17/03	\$ 1,235.50	\$ 688.25	Pending	Pending

Name of Professional Individual	Position of the Applicant, Number of years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Hours Billed ³	Total Compensation
Laura Davis Jones	Shareholder 2000; Joined Firm 2000; Member of DE Bar since 1986	\$560.00	2.20	\$ 1,232.00
Dean A. Ziehl	Shareholder 1983; Member of CA Bar since 1978	\$560.00 \$280.00	113.80 44.50	\$63,728.00 \$12,460.00
Ira D. Kharasch	Shareholder 1987; Member of CA Bar since 1982	\$495.00	.70	\$ 346.50

³ Some professional time that was spent during the Interim Period will be reflected in a subsequent application.

Name of Professional Individual	Position of the Applicant, Number of years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Hours Billed	Total Compensation
James K. T. Hunter	Of Counsel 1988; Member of CA Bar since 1976	\$460.00 \$230.00	24.70 17.70	\$11,362.00 \$ 4,071.00
Ellen M. Bender	Shareholder 1999; Member of CA Bar since 1984	\$425.00	4.40	\$ 1,870.00
William L. Ramseyer	Of Counsel 1989; Member of CA Bar since 1980	\$375.00	.30	\$ 112.50
Rachel Lowy Werkheiser	Associate 2000; Member of DE Bar since 1998	\$280.00	105.00	\$28,868.00
Christopher J. Lhulier	Associate 2000; Member of DE Bar since 1999	\$280.00	2.10	\$ 588.00
Gillian N. Brown	Associate 2000; Member of CA Bar since 1999	\$255.00	1.10	\$ 280.50
Maria A. Bove	Associate 2001; Member of NY Bar since 2001	\$255.00	1.00	\$ 255.00
Denise A. Harris	Paralegal since 1980	\$170.00	3.40	\$ 578.00
Laurie A. Gilbert	Paralegal since 1983	\$135.00	.20	\$ 27.00
Marlene S. Chappe	Paralegal since 1997	\$125.00	4.10	\$ 512.50
Camille E. Ennis	Paralegal since 1997	\$120.00	54.50	\$ 6,540.00
Rita M. Olivere	Case Management Assistant 2000	\$ 70.00	1.00	\$ 70.00
Sheryle L. Pitman	Case Management Assistant 2001	\$ 55.00	12.90	\$ 838.50
Christina M. Shaeffer	Case Management Assistant 2001	\$ 55.00	12.90	\$ 709.50
Andrea R. Paul	Case Management Assistant 2001	\$ 55.00	2.50	\$ 137.50
Charles J. Bouzoukis	Case Management Assistant 2001	\$ 55.00	2.70	\$ 148.50

Grand Total: \$134,735.00
Total Hours: 411.70
Blended Rate: \$ 327.26

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees Requested
Bankruptcy Litigation	238.30	\$98,377.00
Case Administration	37.80	\$ 2,641.00
Compensation of Professionals	18.60	\$ 5,072.00
Compensation of Professionals/Others	27.10	\$ 4,820.00
Financing	.50	\$ 280.00
Hearings	.80	\$ 96.00
Retention of Professionals	13.80	\$ 3,678.00
Retention of Professionals/Other	12.60	\$ 3,240.00
Travel	62.20	\$16,531.00

EXPENSE SUMMARY

Expense Category	Service Provider (If Applicable)	Total Expenses
Facsimile (\$1.00/page)		\$ 145.50
Reproduction (\$.15 per page)		\$20,658.10
Express Mail	Federal Express/DHL	\$ 2,220.79
Delivery/Courier Service	TriState	\$ 5,467.12
Working Meals	Grotto's	\$ 1,157.28
Overtime		\$ 260.90
Legal Research	Lexis/Nexis	\$ 720.14
Conference Call	AT&T	\$ 204.91
Travel Expense	Amtrak	\$ 3,931.02
Hotel Expense	Swissotel	\$ 1,887.38
Air Fare		\$14,433.50
Witness Fee		\$ 120.00
Filing Fee		\$ 142.84
Postage		\$ 2,257.20

⁴ PSZYJ&W may use one or more service providers. The service providers identified herein are the primary service providers for the categories described.

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AS CO-COUNSEL TO THE EXAMINER FOR THE PERIOD FROM
FEBRUARY 24, 2003 THROUGH DECEMBER 17, 2003**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Order Pursuant to 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals, dated November 5, 2001, (“Administrative Order”) and the Court’s Order Appointing Fee Auditor and Directing Related Procedures Concerning the Payment of Compensation and Consideration of Fee Applications, entered on or about February 5, 2003 (the “Auditor Order”), Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C. (“PSZYJ&W”) hereby files this Final Application of Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C. for Compensation for Services Rendered and Reimbursement of Expenses as Co-counsel to the Examiner for the Period from February 24, 2003 through December 17, 2003 (the “Application”). By this Application PSZYJ&W seeks a final allowance of compensation in the amount of \$134,735.00 and reimbursement of actual and necessary expenses in the amount of \$53,616.68 for a total of \$188,351.68 for the period

February 24, 2003 through December 17, 2003 (the "Fee Period"). In support of this Application, PSZYJ&W respectfully represents as follows:

Background

1. Each of the Debtors (collectively, the "Debtors") filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, Debtors are continuing to operate their businesses and manage their properties and assets as debtors in possession. Since the Petition Date, the U.S. Trustee has appointed the Official Committee of Unsecured Creditors, (the "Committee"). By order signed February 10, 2003 this Court approved the appointment of an examiner in these cases, and by order signed February 24, 2003, Perry M. Mandarino, CPA, was appointed examiner. A Plan of Reorganization was confirmed in these cases with an Effective Date of December 17, 2003.

2. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §157 and §1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

3. The Debtors' chapter 11 cases are consolidated for procedural purposes only and administered jointly.

4. By this Court's order dated April 15, 2003, the Examiner was authorized to retain PSZYJ&W as his counsel, effective as of February 24, 2003 (the "Retention Order"). The Retention Order authorizes the compensation of PSZYJ&W at PSZYJ&W's hourly rates charged for services of this type and the reimbursement for actual and necessary out-of-pocket expenses incurred, subject to application to this Court in accordance with the Bankruptcy Code,

the Federal Rules of Bankruptcy Procedure, all applicable local rules and orders of this Court.

5. On or about November 5, 2001, the Court signed the Administrative Order, authorizing the filing of monthly and quarterly fee applications. If no party objects to a monthly fee application within 20 days after service the Debtors are authorized to pay 80% of the requested fees and 100% of the requested expenses. All awards of interim fees are subject to final approval by the Court.

6. On or about February 5, 2003, the Court entered its Auditor Order establishing further procedures for interim compensation and reimbursement of expenses of professionals. Pursuant to the procedures set forth in that Auditor Order, professionals serve their fee applications on the fee auditor. The fee auditor shall prepare an initial report, and after an informal response period, shall file a final report. Within twenty days after the fee auditor files a certificate of service of a final report, professionals may file a response with the Court and a hearing will then be scheduled.

Monthly Fee Applications Covered Herein

7. Prior to the filing of this Application, monthly fee applications of PSZYJ&W for the period February 24, 2003 through December 17, 2003 had been filed with the Court. Attached hereto as Exhibits A through J are copies of the monthly fee applications filed by PSZYJ&W in the Debtors' cases.

8. The monthly fee applications covered by this Application contain detailed daily time logs describing the actual and necessary services provided by PSZYJ&W during the Fee Period as well as other detailed information required to be included in fee applications.

Requested Relief

9. By this Application, PSZYJ&W requests that the Court approve the final allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by PSZYJ&W from February 24, 2003 through December 17, 2003. As stated above, the full scope of the services provided and the related expenses incurred are fully described in the monthly fee applications for the Fee Period that already have been filed with the Court and are attached hereto as Exhibits A through J. To the extent PSZYJ&W has incurred fees and expenses in addition to the foregoing, PSZYJ&W reserves the right, and respectfully requests that it be authorized, to file a supplemental fee application by following the interim compensation procedures set forth in the Administrative Order and submitting a certificate of no objection and order to the Court for final approval of such fees and expenses as may be reflected in any supplemental fee application.

10. At all relevant times, PSZYJ&W has been a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code and has not represented or held an interest adverse to the interest of Debtors.

11. All services for which compensation is requested by PSZYJ&W were performed for or on behalf of the Examiner, and not on behalf of any Debtor, committee, creditor, or other person.

12. During the Fee Period, PSZYJ&W has received no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with Debtors' cases. There is no agreement or understanding between PSZYJ&W and any other person, other than members of the Firm, for the sharing of compensation to be received for

services rendered in these cases.

13. The professional services and related expenses for which PSZYJ&W requests final allowance of compensation and reimbursement of expenses were rendered and incurred in connection with these cases in the discharge of PSZYJ&W's professional responsibilities as attorneys for the Examiner in these chapter 11 cases. PSZYJ&W's services have been necessary and beneficial to the Examiner, the Debtors and their estates, creditors, and other parties in interest.

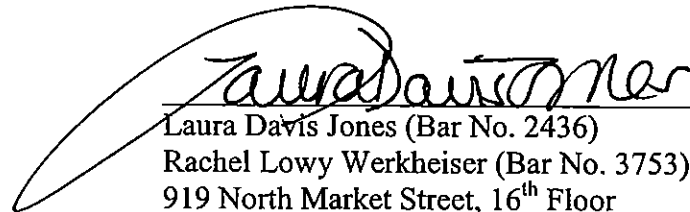
14. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PSZYJ&W is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title. Moreover, PSZYJ&W has reviewed the requirements of Del. Bankr. LR 2016-2 and the Administrative Order and believes that this Application complies with that Rule and Order.

WHEREFORE, PSZYJ&W respectfully requests that the Court enter an order, substantially in the form attached hereto, providing that, for the period of February 24, 2003 through December 17, 2003, a final allowance be made to PSZYJ&W in the sum of \$134,735.00 as compensation for reasonable and necessary professional services rendered to Debtors and in the sum of \$53,616.68 for reimbursement of actual and necessary costs and expenses incurred, for a total of \$188,351.68; that Debtors be authorized and directed to pay to PSZYJ&W the outstanding amount of such sums; that to the extent PSZYJ&W has incurred fees and expenses in addition to the foregoing, PSZYJ&W may file a supplemental fee application by following the

interim compensation procedures set forth in the Administrative Order and submitting a certificate of no objection and order to the Court for final approval of such fees and expenses as may be reflected in any supplemental fee application; and for such other and further relief as this Court deems proper.

Dated: 1/30, 2004

PACHULSKI, STANG, ZIEHL, YOUNG, JONES &
WEINTRAUB P.C.

A large, stylized handwritten signature in black ink, appearing to read "Laura Davis Jones", is written over a horizontal line.

Laura Davis Jones (Bar No. 2436)
Rachel Lowy Werkheiser (Bar No. 3753)
919 North Market Street, 16th Floor
P.O. Box 8705
Wilmington, DE 19899-8705 (Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400

Co-Counsel for the Examiner

VERIFICATION

STATE OF DELAWARE :
:
COUNTY OF NEW CASTLE :

Rachel Lowy Werkheiser, after being duly sworn according to law, deposes and says:

- a) I am an associate with the applicant law firm Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C., and have been admitted to appear before this Court.
- b) I have personally performed many of the legal services rendered by Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C. as co-counsel to the Examiner and am thoroughly familiar with the other work performed on behalf of the Examiner by the lawyers and paraprofessionals of PSZYJ&W.
- c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware, and submit that the Application substantially complies with such rules.

Rachel L. Werkheiser

Rachel Lowy Werkheiser

SWORN AND SUBSCRIBED
before me this 30th day of January, 2004.

Bruce Dean Campbell

Notary Public
My Commission Expires:

