

ARNOLD & PORTER LLP
399 Park Avenue
New York, New York 10022-4690
Telephone: (212) 715-1000
Facsimile: (212) 715-1399
Michael J. Canning (MC 8060)

*Counsel for the Debtors
and Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re
Quebecor World (USA) Inc., et al.,
Debtors.

Chapter 11

Case No. 08-10152 (JMP)
Jointly Administered

Honorable James M. Peck

**DECLARATION OF JEREMY ROBERTS IN SUPPORT OF THE SECOND MOTION
OF THE DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING THE DEBTORS TO
PAY AND HONOR CERTAIN PREPETITION CLAIMS FOR COMMISSIONS**

I, Jeremy Roberts, declare under penalty of perjury as follows:

1. I am Senior Vice President, Corporate Finance and Treasurer of Quebecor World (USA) Inc. ("QWUSA"), a corporation organized under the laws of the State of Delaware and one of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors").

2. In this capacity, I am generally familiar with the Debtors' day-to-day operations, employee retention, business and financial affairs, books and records. I submit this declaration in support of the Debtors' Second Motion for Entry of an Order Authorizing the Debtors to Pay and Honor Prepetition Claims for Sales Commissions.

3. The Debtors have ascertained that along with the 59 sales employees the Debtors were previously authorized to pay prepetition accrued sales commissions, an additional 108 sales employees are owed prepetition accrued commissions for 2007 sales, which are due to be paid by no later than March 31, 2008. Further, in reviewing the sales commission obligations for each of the Debtors, and their respective groups and divisions, the Debtors have now ascertained that, along with the sales commissions due in March, there are certain additional prepetition commission obligations that have not yet been fully resolved, which the Debtors currently estimate to be approximately \$550,000.

4. Of these 108 sales employees, 107 of such sales employees are owed accrued prepetition commissions by no later than March 31, 2008. The remaining employee is owed \$15,000 for meeting specific sales and budget attainment goals in 2007. This payment was due at the end of January 2007, and the Debtors seek authority herein to pay this employee for successfully achieving the target sales goal.

5. The total amount of the sales commissions due to these 108 individuals is \$3,175,111. Of this amount, \$2,224,373 reflects amounts in excess of \$10,950 per employee, with the proposed prepetition payments per employee ranging from \$142 to \$251,441. Needless to say, the larger payments are being made to individuals who generated the most business for the Debtors during the applicable time period.

6. The Debtors will make available to the Office of the United States Trustee and counsel to the Official Committee of Unsecured Creditors a schedule showing for each employee scheduled to receive prepetition sales commissions, the amount of such payment and the amount of additional compensation previously received by such employee on account of 2007.

7. Retention is a critical issue in this transition period and to the ultimate success of the Debtors' reorganization. The commissions to these 108 sales employees (the

“Commissioned Employees”) are either already past due or will due and owing on March 31, 2008. If the Debtors are unable to make timely payment to the Commissioned Employees, the Debtors are gravely concerned that such employees may seek alternative employment, which would seriously hamper any reorganization efforts.

8. The Debtors’ sales representatives are compensated primarily on a commission basis, and are paid such commissions only when the payment for the account (i.e., the sale) is actually received by the Company; thus, the Debtors generally pay commissions to their sales representatives anywhere from 30-90 days after the sale actually occurred. Accordingly, the Commissioned Employees may go for long periods without receiving commissions, at which point they may be entitled to several months worth of commissions.

9. The amount owed to the Commissioned Employees and the nature of the relief requested is due to multiple factors: (1) these Commissioned Employees are primarily or exclusively paid through sales commissions; (2) sales commissions are often at their highest at the end of the year, and the Commissioned Employees thus rely on these year end payments as a significant portion of their annual compensation; and (3) these Commissioned Employees are critical to the success of the reorganization of the Debtors’ businesses.

10. The sales employees’ commissions can be quite cyclical, with the highest commissions often generated in the last quarter of the year. Indeed, November and December historically represent high sales volume months for the Debtors as a result of the significant amount of printing that occurs around the holidays. Therefore, many of the Commissioned Employees rely heavily on the commissions generated over the fourth quarter of the year, and those commissions for the fourth quarter of 2007 have not yet been paid. Failure to pay these commissions when due may undermine these sales employee confidence in the Debtors’

prospects, and may cause these sales employees to seek employment with competitors, thereby risking the Debtors' critical customer relationships.

11. High performing professional sales employees are in great demand in this particular industry, and, as noted above, the Commissioned Employees have developed relationships that are essential to the success of the Debtors' businesses. Accordingly, the retention of the Debtors' sales employees is fundamental to the success of the Debtors' restructuring efforts, and timely payment of their commissions is critical to their retention.

12. Although the bulk of the prepetition commissions represent amounts in excess of \$10,950 per employee, payment of these compensation amounts is critical to the viability, morale and motivation of the Debtors' sales force, and the strong performance of the Debtors' sales force is absolutely essential to the success of the Debtors' businesses. The Debtors believe that if they are unable to honor their commitment to pay these accrued commissions, employee dedication and loyalty would be jeopardized at a time when employee support is most critical.

13. Many of the Debtors' employees sought to be compensated herein can easily find other jobs, and the Debtors believe that the reorganization will be jeopardized if the compensation owed is not paid, as many of the employees may seek other employment if they are not given the security of receiving their sales commissions.

14. The Commissioned Employees are absolutely essential to the orderly and successful reorganization of the Debtors' businesses and financial affairs. They have an intimate knowledge of the Debtors' customer base, and any deterioration in their morale at this critical time would undoubtedly impact the Debtors adversely, as well as the value of their assets and businesses, and ultimately their ability to reorganize. If these Commissioned Employees were to seek other employment, the Debtors would not only lose valuable employees but also valuable business relationships with these employees' customers. The Debtors believe that obvious harm

will occur if highly valued Commissioned Employees do not receive their expected compensation in a timely manner.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: March 10th 2008



Jeremy Roberts