

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 08-10152-jmp

- - - - -x

In the Matter of:

QUEBECOR WORLD (USA), INC.,

Debtor.

- - - - -x

United States Bankruptcy Court
One Bowling Green
New York, New York

March 7, 2008

4:19 PM

B E F O R E:

HON. JAMES M. PECK

U.S. BANKRUPTCY JUDGE

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FINAL HEARING re Motion Filed by the Debtors for an Order
(a)Authorizing the Debtors to Obtain Post-Petition Secured
Financing; (b)Authorizing the Use of Cash Collateral and
Granting Adequate Protection to Pre-Petition Secured Lenders;
and (c)Using Post-Petition Financing to Purchase Receivables
Portfolio

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1 P R O C E E D I N G S

2 THE COURT: Please be seated. This is the
3 continuation of the final DIP hearing which started yesterday.
4 It's now twenty past four. Based upon my understanding of the
5 current state of discussions involving key parties-in-interest
6 relating to the proposed final form of the DIP order, parties
7 will need some additional time in order to conclude what appear
8 to be constructive, although at this point inconclusive,
9 negotiations. Under the circumstances, I am going to direct
10 from the bench this afternoon an extension of the forty-five
11 day period as set forth in the operative financing documents
12 and in the interim order which is the date by which a final
13 order needs to be obtained. To the extent that there are any
14 other corresponding dates that need to be extended out, they
15 are extended out by that same thirty-day period.

16 We have, I believe, a hearing currently set for March
17 20 as an omnibus hearing date in the Quebecor matters. I don't
18 know whether or not it will be possible to conclude all of the
19 discussions in respect of their financing by that date.

20 However, whether or not there is a final resolution by that
21 date, I will expect a fairly detailed status report which will
22 either be in open court or in chambers as the parties elect.

23 To the extent that there is a need for a formal
24 hearing in connection with the final DIP, particularly a
25 hearing that may include the need for offers of proof and/or

1 live witnesses, I call upon debtors' counsel to identify an
2 appropriate date acceptable to other parties-in-interest and to
3 my chambers for that hearing which could be on a date other
4 than March 20 and I assume on a date after March 20.

5 Is there anything more for today?

6 MR. BOTTER: Your Honor, thank you very much for
7 that. There is only one cleanup matter. We had a notice of
8 presentment on with respect to our information sharing
9 protocol. The notice of presentment was for yesterday. There
10 were no objections. So if Your Honor would allow me to
11 approach, I have a disk and an order if you'd be willing to
12 entertain that.

13 THE COURT: Sure. I'd be happy to enter that.

14 MR. BOTTER: Thank you, Judge.

15 THE COURT: Thank you. Mr. Canning?

16 MR. CANNING: Your Honor, the only other item would
17 be the cash management order which was also up for final
18 yesterday. I would ask that that be adjourned as well.
19 Ideally, it would be till whatever the adjourned date for the
20 approval of the final DIP order would be. We could make it in
21 the interim to March 20 and see where we are and then we could
22 go from there if that's acceptable.

23 THE COURT: That's fine. And just for purposes of
24 clarity, my understanding is that the final DIP order, drafts
25 of which I have seen, includes any number of inserts and

1 comments received from third parties including parties who have
2 objected to particularized aspects of the financing and seeking
3 various comfort within the proposed final order. Nothing
4 that's happening today is intended to affect any agreements
5 that have been reached between objectors and debtors' counsel,
6 the committee and counsel for the lender concerning the form of
7 the order. All that's happening today is that the financing on
8 the various same terms as currently has been approved under the
9 interim order is being pushed out for thirty days. And
10 whatever agreements have been reached I'm confident will be
11 recognized and respected in the form of final order.

12 That having been said, I'd also like to make clear
13 that from the Court's perspective, there are aspects of the
14 proposed final order that at first blush may require some
15 further explanation in order to make it into the final order
16 that I enter. This is not the time for me to discuss that.
17 And I'm confident that there will be some changes in the
18 proposed order that I'm asked to review and I'm going to defer
19 my comments until the parties have had some more time to do
20 their work. Anything else?

21 MR. BOTTER: No, Your Honor. That's all today.

22 THE COURT: Fine. We're adjourned then.

23 MR. CANNING: Thank you, Judge.

24 THE COURT: Have a good weekend.

25 (Whereupon the proceedings concluded at 4:25 p.m.)

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C E R T I F I C A T I O N

I, Lisa Bar-Leib, court approved transcriber, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter.

_____ March 11, 2008

Signature of Transcriber Date

Lisa Bar-Leib _____

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