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**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 JOSEPH PANNUNZIO IN SUPPORT OF MOTION OF THE
DEBTORS PURSUANT TO 11 U.S.C. § 365 TO ASSUME AN EXECUTORY
CONTRACT WITH GMC SOFTWARE TECHNOLOGY, INC. FOR ONE (1)
PRINTNET T STANDARD DESIGNER SOFTWARE LICENSE UPGRADE**

I, Joseph Pannunzio, declare as follows in support of the Debtors' motion (the "Motion") for an order authorizing the assumption of an executory contract with GMC Software Technology, Inc. ("GMC") for one (1) PrintNet T Standard Designer Software License upgrade (the "Upgrade"):

1. I am Vice President, Information Technology of Quebecor World (USA) Inc., 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"). Quebecor World (USA) Inc. is

the indirect parent of Quebecor World Dittler Brothers Inc. (“QW Atlanta”), a corporation organized under the laws of the State of Georgia and also one of the Debtors. In this capacity, I am generally familiar with the Debtors’ day-to-day operations, information technology procurement, business and financial affairs, books and records.

2. The contract that is the subject of the Motion is an agreement between QW Atlanta and GMC for the purchase of the Upgrade, along with related training and annual maintenance services. The Debtors have used the PrintNet T Standard Designer Software (the “Software”) in the operation of their direct mail business in Atlanta for a number of years. Direct mail comprises approximately 85% of QW Atlanta’s business. The entire QW Atlanta direct mail platform utilizes the Software.

3. The Software is used to program the variable data provided by QW Atlanta’s customers to create personalized direct mail pieces. The Software has been customized over a number of years to tailor its functions to QW Atlanta’s business. The Upgrade to a newer version of the Software is necessary to accommodate new data formats utilized by QW Atlanta’s customers. QW Atlanta estimates that to purchase and implement a new software program from a different vendor would not only cost over five times the price of the Upgrade, but would also carry a higher risk of disruption to its operations.

4. GMC has already delivered, installed and trained QW Atlanta’s employees to operate the Upgrade. In order to load the upgraded Software, QW Atlanta must have an electronic “key” code provided by GMC, representing the license to use the software. Initially, GMC provides its users with a temporary key representing a temporary license, which is programmed to allow access for a limited period of time (generally 30-60 days) and to automatically deactivate at the end of such period. A permanent key code representing a

perpetual license to use the Upgrade is provided by GMC once full payment for the software is received.

5. Following the expiration of QW Atlanta's initial temporary license key for the Upgrade, GMC has provided QW Atlanta with two further temporary license keys to allow QW Atlanta sufficient time to seek authority to assume the contract for the Upgrade in order to secure the perpetual license to use the Upgrade. The third temporary license key automatically deactivates on April 30, and GMC has notified QW Atlanta that it will not issue any further temporary license keys.

6. The contract pursuant to which QW Atlanta and GMC agreed on the terms of QW Atlanta's purchase of the Upgrade consists of (i) that certain letter from GMC to QW Atlanta setting forth the prices for the Upgrade, related training services and annual maintenance/support services, as well as other terms of the sale, dated November 27, 2007; (ii) a statement of work setting forth the terms of the training services, dated November 27, 2007; (iii) a Purchase Order from QW Atlanta to GMC for the Upgrade, dated December 3, 2007; and (iv) the GMC Software Technology End User Software License Agreement (together, the "Agreement").

7. The total price of the Upgrade, together with the training services, is \$49,240. The Agreement also provides for annual maintenance/support fees. QW Atlanta has made no payments under the Agreement. The initial payment of \$11,000 under the Agreement was due in January 2008, with four additional payments, totaling \$38,240, due between February 6 and March 30, 2008. The unpaid amount currently due and owing on account of the Upgrade is \$49,240.

8. The Upgrade is necessary to the Debtors' direct mail business, as it allows QW Atlanta to accommodate new data formats utilized by its customers within QW Atlanta's current

software platform, avoiding the need to replace QW Atlanta's current platform in its entirety. Full replacement of the platform with software from another vendor would be substantially more costly and would be potentially disruptive to QW Atlanta's business. The generally favorable terms of the Agreement make it a valuable asset of the Debtors' bankruptcy estates.

9. The Debtors believe that the Upgrade is integral to the Debtors' ability to be a viable competitor in the direct mail business, and represents a key element of the Debtors' efforts to provide state-of-the-art service to their customers. Installation and training on the Upgrade is complete, and the Upgrade is currently fully operational.

10. The Debtors' representatives have held discussions with GMC to inform GMC of the Debtors' intent to assume the Agreement, and have provided GMC with assurance of their ability to perform under the Agreement in the future. GMC has informed the Debtors that it consents to the assumption of the Agreement, and has demonstrated its willingness to continue to perform by extending the Debtors' ability to operate under temporary license keys while the Debtors seek authority to assume the Agreement.

11. Upon the Court's approval of this Motion, the Debtors will cure existing defaults under the Agreement. The Debtors have access to sufficient funds to support their future performance under the Agreement.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on April 7, 2008.

/s/ Joseph Pannunzio
Joseph Pannunzio