

**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

**ORDER TO SHOW CAUSE SCHEDULING AN
EXPEDITED HEARING ON DEBTORS' EMERGENCY MOTION**

Upon the above-captioned debtors and debtors-in-possession application for an Order to Show Cause, the attached Declaration of Michael J. Canning dated June 11, 2008 (the "Canning Declaration") attesting to the necessity for relief by Order to Show Cause pursuant to Local Rule 9077-1 and for filing under seal pursuant to 11 U.S.C. 107(b) and 107(c), and there appearing to be good and sufficient cause to this Court to schedule an immediate hearing on the requested relief, it is hereby

ORDERED, that on June 17, 2008, at 2:00 p.m. (Prevailing Eastern Time) in Courtroom 601, at the United States Bankruptcy Court for the Southern District of New York, this Court shall hold an expedited hearing on the following emergency motion:

Debtors' Motion For Entry Of An Order Granting Debtors' Authority To Transfer, Convey And Assign Direct Or Indirect Interests, If Any, That Debtors May Have In Intercompany Loans Owed To Quebecor World Inc. By Its European Subsidiaries;

and it is further

ORDERED that consistent with the Cross Border Insolvency Protocol approved by Order of the Court dated April 9, 2008, such expedited hearing may be a joint hearing that will also include the consideration by the Superior Court, Commercial Division, for the Judicial District of

Montréal in the Matter of the Plan of Compromise or Arrangement of Quebecor World Inc. of the Motion for an Order Authorizing the Sale of Shares of European Holding Subsidiary and the Assignment of Intercompany Loans owed by European Subsidiaries, pursuant to Sections 9, 10 and 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36; and it is further

ORDERED that the notice requirements of Local Rule 9013-1 are hereby waived for this emergency motion. Service, by hand delivery, electronic mail, facsimile, or overnight mail, to be effected on June 11, 2008, of a copy of this Order to Show Cause along with the Canning Declaration and a Notice of Hearing is adequate and appropriate notice under the circumstances of the Debtors' Chapter 11 cases, and it is further

ORDERED that the Monitor's Confidential Report, submitted *in camera* to the Superior Court, Commercial Division, for the Judicial District of Montreal, shall be served only upon counsel to the Official Committee of Unsecured Creditors, counsel to the Royal Bank of Canada as Administrative Agent for the syndicate of pre-petition lenders to the Debtors, counsel to the Ad Hoc Group of Noteholders, counsel to Debtors' Post-Petition Lenders, and the United States Trustee (the "Notice Parties") and not the Service List, and it is further

ORDERED that pending hearing and determination of the Emergency Motion, the Notice Parties shall maintain the confidentiality of the Monitor's Confidential Report and that the Monitor's Confidential Report be made available only to (i) counsel to the Official Committee of Unsecured Creditors and its financial advisors; (ii) counsel to the Ad Hoc Group of Noteholders, and its financial advisors; (iii) counsel to Royal Bank of Canada as Administrative Agent for the syndicate of pre-petition lenders to the Debtors and its financial advisors, (iv) counsel to Debtors' Post-Petition Lenders; and (v) the Office of the United States Trustee, and it is further

ORDERED that pursuant to Bankruptcy Code §§ 107(b) and 107(c), the Monitor's Confidential Report not be filed in the public record pending hearing and determination of the Emergency Motion, and it is further

ORDERED that any objections to the relief requested by this motion must be filed in accordance with the Local Bankruptcy Rules for the Southern District of New York, must comply with the Case Management Order entered in these chapter 11 cases, and must be filed with the Court and served upon the following parties (the "Notice Parties") by June 16, 2008 at noon to be considered at the hearing.: (i) Arnold & Porter LLP, 399 Park Avenue, New York, New York, 10022 (Attn: Michael J. Canning, Esq.); (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York, 10004; (iii) Allen & Overy LLP, counsel to the Monitor, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Ken Coleman, Esq.); and (iv) counsel to the Official Committee of Unsecured Creditors, Akin Gump Strauss Hauer & Feld LLP, 590 Madison Avenue, New York, New York 10022 (Attn: Ira S. Dizengoff).

Dated: New York, New York
June 11, 2008

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge

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 MICHAEL J. CANNING
IN SUPPORT OF ORDER TO SHOW CAUSE SCHEDULING
EXPEDITED HEARING ON DEBTORS' EMERGENCY MOTION**

Michael J. Canning declares as follows:

1. I am a member of the bar of this Court and a member of the firm of Arnold & Porter LLP, counsel for the Debtors in the above-captioned case. I submit this declaration in support of the Debtors' application for an Order to Show Cause scheduling an expedited hearing on Debtors' emergency motion.

2. The Debtors are proceeding by Order to Show Cause because of the emergency nature of the relief sought from this Court in connection with the emergency motion.

3. The Debtors seek an expedited hearing on the Debtors' Motion For Entry Of An Order Granting Debtors' Authority To Transfer, Convey And Assign Direct Or Indirect Interests,

If Any, That Debtors May Have In Intercompany Loans Owed To Quebecor World Inc. By Its European Subsidiaries (the “Emergency Motion”).

4. As detailed more fully in the Emergency Motion, the relief sought therein is crucial to the Debtors’ business operations and it is imperative that the Debtors be afforded the opportunity to present the Emergency Motion for the Court’s consideration at the earliest possible time as the issues raised by the Emergency Motion cannot be resolved without a hearing. Therefore, the Debtors seek this relief by way of order to show cause rather than by notice of motion.

5. In addition, the Debtors seek authority, pursuant to 11 U.S.C. §§ 107(b) and (c), to serve only upon counsel to the Official Committee of Unsecured Creditors, counsel to Royal Bank of Canada as Administrative Agent for the syndicate of pre-petition lenders to the Debtors, counsel to the *Ad Hoc* Group of Noteholders and the United States Trustee (the “Notice Parties”) and file under seal the Monitor’s Confidential Report filed in connection with a motion made before the Superior Court, Commercial Division, for the Judicial District of Montreal (the “Canadian Court”).

6. Section 107(b) of the Bankruptcy Code provides bankruptcy courts with the power to issue orders that will protect entities from potential harm that may result from the disclosure of certain confidential information. This section, provides, in relevant part:

On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court’s own motion, the bankruptcy court may-

(1) protect any entity with respect to a trade secret or confidential research, development, or commercial information;

11 U.S.C. § 107(b).

7. Bankruptcy Rule 9018 defines the procedures by which a party may move for relief under section 107(b) of the Bankruptcy Code, and provides that “[o]n motion, or on its

own initiative, with or without notice, the court may make any order which justice requires (1) to protect the estate or any entity in respect of a trade secret or confidential research development, or commercial information ...” Fed. R. Bankr. P. 9018.

8. As detailed more fully in the Emergency Motion, the Debtors submit that good cause exists for the Court to grant the relief requested herein. The Monitor’s Confidential Report was submitted *in camera* pursuant an Order of the Canadian Court due to the highly sensitive nature of the confidential commercial information therein. Filing this document under seal and providing for limited service is necessary because disclosure would harm the Debtors by disclosing highly confidential and proprietary information.

9. In In re Orion Pictures Corp., 21 F.3d 24, 27 (2nd Cir. 1994), the Second Circuit held that sealing under § 107(b) is available if “the information sought to be sealed was confidential and commercial in nature.” The Second Circuit defined confidential commercial information as used in § 107(b) as “information which would cause ‘an unfair advantage to competitors by providing them information as to the commercial operations of the debtor.’” Quoting Ad Hoc Protective Comm. For 10-1/2% Debenture Holders v. Itel Corp. (In re Itel Corp.), 17 B.R. 942, 944 (B.A.P. 9th Cir. 1982).

10. No prior application for the relief sought in the Emergency Motion has been made to this or any other Court other than the Motion made to the Canadian Court as detailed more fully in the Emergency Motion.

11. The Emergency Motion was not necessitated by any delay on the part of the Debtors or their counsel.

12. The Debtors respectfully request that the Court waive the requirement of Local Bankruptcy Rule 9013-1(b) for a separate memorandum of law in support of this application for an Order to Show Cause.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 11, 2008
New York, New York

/s/ Michael J. Canning
Michael J. Canning