

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

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 In re: :
 QUEBECOR WORLD (USA) INC., ET AL. : Chapter 11
 : Case No. 08-10152 (JMP)
 :
 : (Jointly Administered)
 :
 Debtors. :
 ----- X

**SUMMARY SHEET FOR FIRST FEE APPLICATION OF KPMG LLP (US),
AS TAX COMPLIANCE AND TAX CONSULTING ADVISORS
FOR THE DEBTORS, FOR INTERIM ALLOWANCE AND
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF ACTUAL AND NECESSARY
EXPENSES INCURRED FROM APRIL 7, 2008 THROUGH APRIL 30, 2008**

NAME OF APPLICANT:	KPMG LLP (US)
TIME PERIOD:	April 7, 2008 through and including April 30, 2008
ROLE IN THE CASE:	Tax Compliance and Tax Consulting Advisors to the Debtors
CURRENT APPLICATION:	Total Fees Requested: (discounted) \$16,335.80
	Total Expenses Requested: \$ 0.00
FEES AND EXPENSES PREVIOUSLY REQUESTED	Total Fees Previously Requested: N/A
	Total Expenses Previously Requested: N/A
FEES AND EXPENSES PREVIOUSLY REQUESTED AND PAID	Total Fees Previously Paid: N/A
	Total Expenses Previously Paid: N/A
THIS APPLICATION IS	<input checked="" type="checkbox"/> Interim <input type="checkbox"/> Final

HOURS BILLED DURING COMPENSATION PERIOD

Professional (Partner)	Hours Billed	Discounted Rate	Total Discounted Compensation
Gremer, John F	2.5	\$ 400	\$ 1,000.00
Total	2.5		\$ 1,000.00

Professional (Senior Manager)	Hours Billed	Discounted Rate	Total Discounted Compensation
Stenander, Robert L	2.3	\$ 305	\$ 701.50
Total	2.3		\$ 701.50

Professional (Manager)	Hours Billed	Discounted Rate	Total Discounted Compensation
Burns, Jeffrey J	2.0	\$ 213	\$ 426.00
Nguyen, Anh	7.5	\$ 213	1,597.50
Total	9.5		\$ 2,023.50

Professional (Senior Associate)	Hours Billed	Discounted Rate	Total Discounted Compensation
Crowell, Theodore E	39.0	\$ 168	\$ 6,552.00
Wilhelmson, Bradley R	12.9	\$ 168	2,167.20
Total	51.9		\$ 8,719.20

Professional (Associate)	Hours Billed	Discounted Rate	Total Discounted Compensation
Campbell, Celeste H.	3.0	\$ 138	\$ 414.00
Gamba, Margarita B	12.5	\$ 138	1,725.00
Savanovic, Boris	12.7	\$ 138	1,752.60
Total	28.2		\$ 3,891.60

Professional Title	Hours Billed	Blended Discounted Rate	Total Discounted Compensation
Partner	2.5	\$ 400	\$ 1,000.00
Senior Manager	2.3	\$ 305	701.50
Manager	9.5	\$ 213	2,023.50
Senior Associate	51.9	\$ 168	8,719.20
Associate	28.2	\$ 138	3,891.60
Total	94.4	\$ 173	\$ 16,335.80

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In re: :
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QUEBECOR WORLD (USA) INC., ET AL. : Chapter 11
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**FIRST FEE APPLICATION OF KPMG LLP (US),
AS TAX COMPLIANCE AND TAX CONSULTING ADVISORS
FOR THE DEBTORS, FOR INTERIM ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF ACTUAL AND NECESSARY
EXPENSES INCURRED FROM APRIL 7, 2008 THROUGH APRIL 30, 2008**

TO: THE HONORABLE JAMES M. PECK,
UNITED STATES BANKRUPTCY JUDGE:

KPMG LLP (US) (“KPMG US”), tax compliance and tax consulting advisors for the above-captioned debtors and debtors in possession (the “Debtors”), in support of its First Fee Application of Interim Allowance of Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred from April 7, 2008 through April 30, 2008 (the “Application”), pursuant to sections 330(a) and 331 of title 11 of the United States Code (the Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), respectfully states as follows:

JURISDICTION

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the

relief requested herein are sections 327(a), 328, 330(a) and 331 of the Bankruptcy Code, Bankruptcy Rule 2016 and Rule 2016-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”).

BACKGROUND

2. On January 21, 2008 (the “Petition Date”), the Debtors filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On January 31, 2008, the Office of the United States Trustee (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors’ chapter 11 cases.

4. On January 20, 2008, the Debtors’ corporate parent, Quebecor World, Inc. (“QWI”), together with each of the Debtors, commenced a proceeding before the Superior Court, Commercial Division, for the Judicial District of Montreal (the “Canadian Court”) for a plan of compromise or arrangement (the “Canadian Proceeding”) under the Canadian Companies’ Creditors Arrangement Act (“CCAA”). Each of the Debtors was joined in the Canadian Proceeding in order that each Debtor may obtain the protection of a stay under the CCAA as well as under the Bankruptcy Code.

KPMG US’s FEES AND EXPENSES

5. By application dated April 7, 2008, the Debtors sought entry of an order authorizing the retention of KPMG US as tax compliance and tax consulting advisors to

the Debtors *nunc pro tunc* to April 7, 2008 (the “Retention Application”). By Order (the “Retention Order”) dated April 17, 2008, this Court approved the retention of KPMG US as tax compliance and tax consulting advisors for the Debtors. A copy of the Retention Order is attached hereto as Exhibit A.

6. This Application has been prepared in accordance with: (a) the Administrative Order Re: Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases approved by the Board of Judges on April 19, 1995 (the “Local Guidelines”), (b) the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 adopted on January 30, 1996 (the “UST Guidelines”), and (c) the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures Governing Interim Monthly Compensation of Professionals, dated February 13, 2008 (the “Interim Compensation Order,” and collectively with the Local Guidelines and the UST Guidelines, the “Guidelines”). Pursuant to the Guidelines, a certification regarding compliance with same is annexed as Exhibit B.

7. By this interim application, KPMG US respectfully seeks allowance for professional services rendered to the Debtors during the period April 7, 2008 through April 30, 2008 (the “Compensation Period”) in the aggregate of \$16,335.80. During the Compensation Period, KPMG US professionals expended a total of 94.4 hours for which compensation is requested. KPMG US’s request for compensation is broken down as follows:

		Requested			Payments Received		Outstanding	
	Period Covered	Hours	Fees	Expenses	Fees	Expenses	Fees	Expenses
	04/07/08 to 04/30/08	94.4	\$16,335.80	\$ 0.00	\$0.00	\$0.00	\$16,335.80	\$ 0.00
Total		94.4	\$16,335.80	\$ 0.00	\$0.00	\$0.00	\$16,335.80	\$ 0.00

8. During the Compensation Period, other than pursuant to the Interim Compensation Order, KPMG US has received no payment and no promises of payment from any source for services rendered or to be rendered in these cases. There is no agreement or understanding between KPMG US and any other person, other than partners of the firm, and members of KPMG International for the sharing of compensation to be received for services rendered in these cases. See Declaration of Michael Lawler in Support of the Application Authorizing the Retention of KPMG LLP (US) *nunc pro tunc* to April 7, 2008 as Tax Compliance and Tax Consulting Advisors for the Debtors Pursuant to Sections 327(a) and 328 of the Bankruptcy Code (the “Lawler Declaration”), annexed hereto as Exhibit C. KPMG US did not receive a security retainer or advance payment for fees and expenses incurred in these cases.

9. KPMG US charges its fees in these cases in accordance with the terms set forth in the Retention Application and the Lawler Declaration. The rates KPMG US charges for the services rendered by its professionals in these chapter 11 cases are similar to the rates KPMG US charges for professional services rendered in comparable non-bankruptcy related matters. KPMG US further notes that it has applied a 25% - 50% discount (the “Discounted Rates”) against its regular hourly rates (the “Standard Rates”) in these cases.

10. Pursuant to the UST Guidelines, annexed as Exhibit D is a schedule setting forth all KPMG US professionals who have performed services in these chapter 11 cases during the Compensation Period, the capacities in which each such individual is employed by KPMG US, the hourly billing rate charged by KPMG US for services performed by such individual, and the aggregate number of hours expended in this matter and fees billed therefore. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non-bankruptcy cases.

11. Annexed as Exhibit F is a schedule specifying the categories of expenses for which KPMG US is seeking reimbursement and the total amount for each such expense category. KPMG currently is not seeking reimbursement for any expenses during the Compensation Period.¹

12. Pursuant to Section II.D of the UST Guidelines, annexed as Exhibit E is a summary of KPMG US's time records billed during the Compensation Period, utilizing the project categories as described below. Detailed records of hours expended and associated fees by professional during the Compensation Period are attached hereto as Exhibit G1 - G3.

SUMMARY OF SERVICES

13. In accordance with the Retention Order, KPMG US has provided such services as were necessary and appropriate in order to advise the Debtors in the course of these chapter 11 cases. The full scope and breadth of the services rendered are reflected

¹ To the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, KPMG US reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

in the monthly invoices, which were provided to the Notice Parties (as defined in the Interim Compensation Order) and incorporated herein.

14. Set forth below is a summary of the services KPMG US rendered to the Debtors during the Compensation Period. During the Compensation Period, KPMG US provided the following services to the Debtors:

i) Federal Tax Compliance Services:

- (1) Perform planning and services required to prepare the company's consolidated federal tax return for the 2007 tax year for purposes of filing with the Internal Revenue Service. Services include the preparation of supporting working papers documenting differences between book income and the company's taxable income as reported on the federal tax return.

ii) State and Local Tax Compliance Services:

- (1) Perform planning and services required to prepare the Debtor's state and local corporate income tax returns and supporting schedules for the 2007 tax year for purposes of filing with the various state and local taxing jurisdictions.
- (2) Perform planning and services required to prepare the reconciliation of state and local corporate income tax information related to Debtor's 2007 tax year. The reconciliation includes state and local apportionment information, state and local tax credit carryforwards, state net operating loss inventory, and various other state and local income tax issues.

iii) Tax Consulting Services:

No tax consulting services were provided during the Compensation Period.

15. A summary of hours and fees incurred by category is annexed hereto as Exhibit E. This chart summarizes the detailed time records included in KPMG US's monthly fee statement, annexed hereto as Exhibit G1 - G3.

16. The foregoing professional services performed by KPMG US were necessary and appropriate to the administration of the Debtors' chapter 11 cases. The professional services performed by KPMG US were in the best interests of the Debtors, their estates and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, or tasks involved. The professional services were performed expediently and in an efficient manner.

17. The professional services performed by KPMG US on behalf of the Debtors during the Compensation Period required an aggregate expenditure of 94.4 recorded hours by KPMG US's professionals. Of the aggregate time expended, 2.5 recorded hours were expended by partners of KPMG US, 2.3 recorded hours were expended by senior managers/directors of KPMG US, 9.5 recorded hours were expended by managers of KPMG US and 80.1 recorded hours were expended by senior associates and associates working on behalf of KPMG US.

18. During the Compensation Period, KPMG US billed the Debtors for time expended by professionals based on Discounted Rates ranging from to \$138 to \$400 per hour. Allowance of compensation in the amount requested results in a blended hourly billing rate of approximately \$173.00 based on 94.4 recorded hours for professionals at KPMG US's Discounted Rates in effect at the time of the performance of services. As noted above, annexed as Exhibit D is a summary schedule listing each KPMG US professional who performed services in these cases during the Compensation Period, the Discounted Rate charged by KPMG US for services performed by each individual and the aggregate number of hours and charges by such individual.

ACTUAL AND NECESSARY DISBURSEMENTS OF KPMG US

19. As set forth in Exhibit F, but subject to footnote 1, KPMG US is not currently seeking reimbursement of expenses during the Compensation Period.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

20. Section 331 of the Bankruptcy Code provides for interim compensation of professionals and incorporates the substantive standards of section 330 to govern the Court's award of such compensation. 11 U.S.C. § 331. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." *Id.* § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded. . .the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) with respect to a professional person whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and

(F) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

21. The services for which KPMG US seeks compensation and the expenditures for which KPMG US seeks reimbursement in this Application were necessary for and beneficial to the orderly administration of the Debtors' estates and their rehabilitation and reorganization effort. The Debtors retained KPMG US as certified public accountants to provide them with a variety of necessary services during the course of these cases. These services and expenditures were necessary to and in the best interests of the Debtors' estates and creditors.

22. Accordingly, the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest.

23. All of KPMG US's professionals that rendered services in these proceedings made a deliberate effort to avoid unnecessary duplication of work and time expended. In certain instances, however, conferences and/or collaboration were necessary among KPMG US's professionals.

24. Whenever possible, KPMG US has sought to minimize the costs of its services to the Debtors by utilizing talented junior professionals to handle more routine aspects of the accounting and auditing process, without sacrifice to the quality of the services rendered.

25. In sum, the services rendered by KPMG US were necessary and beneficial to the Debtors' estates and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved, and approval of the compensation for professional services and reimbursement of expenses sought herein is warranted.

CONCLUSION

WHEREFORE, KPMG US respectfully requests that the Court enter an order (i) awarding KPMG US interim compensation from the Debtors for professional services rendered during the Compensation Period in the amount of \$16,335.80; (ii) holding that the allowance of such interim compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to KPMG US's right to seek additional compensation for services performed and expenses incurred during the Compensation Period which were not processed at the time of this Application; and (iii) granting KPMG US such other and further relief as is just.

Dated: June 16, 2008
Chicago, Illinois

A handwritten signature in black ink, appearing to read "Michael Lawler", with a long horizontal flourish extending to the right.

Michael Lawler
Partner
KPMG LLP (US)
303 E. Wacker Drive
Chicago, Illinois 60601
Telephone: (312) 665-2494
Facsimile: (312) 275-8446
Tax Compliance and Tax Consulting
Advisors for the Debtors

Exhibit A

**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 AUTHORIZING THE DEBTORS TO EMPLOY KPMG LLP *NUNC
PRO TUNC* TO APRIL 7, 2008 TO PROVIDE TAX CONSULTING
SERVICES TO THE DEBTORS PURSUANT TO SECTIONS 327(a) AND
328(a) OF THE BANKRUPTCY CODE**

This matter is before the Court on the application (the “Application”)¹ of the above-captioned debtors and debtors in possession (the “Debtors”), for entry of an order authorizing and approving the retention and employment of KPMG LLP (“KPMG Canada”) to provide tax consulting services to the Debtors in connection with, among other things, a United States Internal Revenue Service IRS Examination, with compensation and reimbursement of expenses to be paid as an administrative expense in such amounts as may be allowed by this Court pursuant to the United States Code (“Bankruptcy Code”); and upon the Declaration of Nathalie Bernier wherein it appears that, upon entry of this Order (a) KPMG Canada will be deemed to have waived its right to collect from the Debtors any funds relating to prepetition services performed for the Debtors, whether arising under engagements where one or more of the Debtors was the sole engaging party, or under engagements where one or more of the Debtors signed jointly with certain non-debtor affiliates, including particularly with QWI and (b) KPMG Canada will not hold or represent any interest materially adverse to the Debtors, any creditors of the Debtors, or any other party in interest with respect to the matters upon which KPMG

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

Canada is to be engaged; and this Court having determined that such retention is in the best interests of the Debtors, the Debtors' estates, creditors and equity security holders; and notice of the Application and the hearing on the Application having been given to all parties entitled to receive notice; and it appearing that no other or further notice of the Application need be given; and after due deliberation and sufficient cause appearing therefore;

It is ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED as set forth herein.
2. KPMG Canada is found to be a "disinterested person" as contemplated under sections 101(14), 327 and 1107 of the Bankruptcy Code
3. Pursuant to sections 327(a) and 328 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code") and Rule 2014(a) of the Federal Rules of Bankruptcy (the "Bankruptcy Rules") and Rule 2014-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Rules"), the Debtors are authorized to employ KPMG Canada to provide tax consulting services pursuant to the Engagement Letter and to perform the services described in the Application and set forth in the Engagement Letter, *nunc pro tunc* to April 7, 2008, to the extent applicable.
4. KPMG Canada shall be compensated in accordance with the standards and procedures set forth in sections 328, 330 and 331 of the Bankruptcy Code and all applicable Bankruptcy Rules, Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Rules"), guidelines established by the Office of the United States Trustee, and orders of this Court, including the Court's Order establishing procedures for monthly compensation and reimbursement of expenses.

5. Notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any orders of this Court or any guidelines regarding the submission and approval of fee applications, KPMG Canada and its professionals shall only be required to maintain time records for services rendered postpetition in half-hour (0.5) increments.

6. In no event shall KPMG Canada be indemnified in these Chapter 11 Cases if the Debtors or a representative of the estate asserts a claim for, and a court determines by final order that such claim arose out of, KPMG's own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

7. The terms and conditions of the Engagement Letter are hereby approved, and the Debtors are authorized to perform all acts necessary to enter into the Engagement Letter.

8. Nothing in this Order shall restrict or limit the right of the Debtors to apply to the Court to alter or expand the scope of services to be provided by KPMG Canada.

9. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

10. The requirement under Local Rule 9013-1(b) for the service and filing of a separate memorandum of law is deemed satisfied by the Application.

Dated: New York, New York
April 17, 2008

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

Exhibit B

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

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:
In re: :
: Chapter 11
QUEBECOR WORLD (USA) INC., ET AL. : Case No. 08-10152 (JMP)
:
: (Jointly Administered)
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Debtors. :
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**CERTIFICATION PURSUANT TO
ADMINISTRATIVE ORDER RE: GUIDELINES
FOR FEES AND DISBURSEMENTS FOR PROFESSIONALS
IN SOUTHERN DISTRICT OF NEW YORK BANKRUPTCY CASES**

I, Michael Lawler, certify as follows:

1. I am a Certified Public Accountant and a partner of KPMG LLP (US) (“KPMG US”), a professional services firm.
2. By Order dated April 17, 2008, KPMG US was retained as tax compliance and tax consulting advisors for the above-captioned debtor and debtor in possession (collectively, the “Debtors”).
3. I submit this certification in conjunction with KPMG US’s application, dated June 16, 2008 (the “Application”), for KPMG US’s first interim allowance of fees and reimbursement of expenses in these cases for the period from April 7, 2008 through April 30, 2008, inclusive (the “Compensation Period”).
4. I am the professional designated by KPMG US with the responsibility for KPMG US’s compliance in these cases with the administrative order regarding guidelines for fees and disbursements for professionals in Southern District of New York bankruptcy cases (the “Amended Guidelines”).

5. I have read KPMG US's Application and, to the best of my knowledge, information and belief formed after reasonable inquiry, except as stated herein or in the Application: (i) the fees and disbursements sought in the Application fall within the Amended Guidelines and the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. §330 promulgated by the Office of the United States Trustee (61 Fed. Reg. 24890 (May 17, 1996); 28 C.F.R. Part 58, appendix) (the "UST Guidelines" and together with the Amended Guidelines the "Guidelines"); and (ii) except to the extent the fees and disbursements are prohibited by the Guidelines, the fees and disbursements sought are billed at or below the rates and in accordance with practices customarily employed by KPMG US and generally accepted by its clients.

6. A copy of the Application is being provided to the United States Trustee, any official statutory committees appointed in these cases and the Debtors, contemporaneously with the filing hereof.

7. Attached to the Application as Exhibit G1-G3 is a copy of the daily time records maintained by the partners, associates and personnel of KPMG US in the ordinary course of business. The time records set forth in reasonable detail the services rendered by KPMG US in these cases.

8. As set forth in the Application, KPMG US is not currently seeking reimbursement of expenses during the Compensation Period. The Application (a) does not include a charge for profit or amortization of the cost of any investment, equipment or capital outlay; and (b) where the reimbursement sought is for a service which KPMG US purchased or contracted for from a third party, includes only the amount billed to KPMG US by the third party vendor and paid by KPMG US to such vendor.

9. KPMG US has sought to keep its fees and expenses at a reasonable level and to utilize professional services and incur expenses as necessary to competently represent the Debtors.

Dated: June 16, 2008



MICHAEL LAWLER

NOTARIZED BY:

Theresa M. McCreary
JUNE 16, 2008

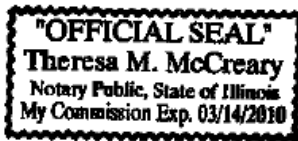


Exhibit C

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

In re)	Chapter 11
)	
QUEBECOR WORLD (USA) Inc., <u>et al.</u> ,)	Case No. 08-10152 (JMP)
)	Jointly Administered
Debtors.)	
)	Honorable James M. Peck

**DECLARATION OF MICHAEL LAWLER IN SUPPORT OF THE
APPLICATION AUTHORIZING THE RETENTION OF KPMG LLP (US)
NUNC PRO TUNC TO APRIL 7, 2008 AS TAX COMPLIANCE AND TAX
CONSULTING ADVISORS FOR THE DEBTORS PURSUANT TO SECTIONS
327(a) AND 328 (a) OF THE BANKRUPTCY CODE**

I, Michael Lawler, being duly sworn, state that the following is true and correct to the best of my knowledge, information and belief:

1. I am a Certified Public Accountant and a partner of KPMG LLP (US) ("KPMG US"), a professional services firm. KPMG US is the United States member firm of KPMG International, a Swiss cooperative. I submit this Declaration (the "Declaration") pursuant to 11 U.S.C. §§ 327(a), 328(a), Fed. R. Bank. P. 2014 and 2106 and Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the Southern District of New York (the "Local Rules") 2014 and 2016-1 in support of the Application to Employ KPMG LLP (US) Nun Pro Tunc to April 7, 2008 as Tax Compliance and Tax Consulting Advisors for the Debtors Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code (the "Application"), filed contemporaneously herewith by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"). Except as indicated, I have personal knowledge of the matters set forth herein.¹

¹ Certain of the disclosures herein relate to matters within the personal knowledge of other professionals at KPMG US and are based on information provided by them.

Qualification of Professionals

2. KPMG US is a firm of independent public accountants as defined under the Code of Professional Conduct of the American Institute of Public Accountants.

3. The Debtors have selected KPMG US as their tax compliance and consulting advisors because of the firm's extensive experience and knowledge in the fields of taxation, accounting, auditing, and tax advisory services for large sophisticated companies both in chapter 11 as well as outside of chapter 11, and its familiarity with the Debtors' businesses and tax affairs.

4. KPMG US has been engaged to provide tax consulting services to the Debtors since 1989. In addition, prior to 2004, KPMG US provided tax compliance services to the Debtors. By virtue of its prior engagements, KPMG US is familiar with the books, records, financial information and other data maintained by the Debtors and is qualified to perform the work required in these cases. As a result of the foregoing, retaining KPMG US is an efficient and cost effective manner in which the Debtors may obtain the requisite services.

Services to be Rendered

5. Subject to approval of the Application, KPMG US will provide tax compliance and consulting services as deemed appropriate and feasible by KPMG US and the Debtors in order to advise the Debtors in the course of these chapter 11 cases, including, but not limited to, the following:

(a) Preparation of federal, state and local corporate tax returns and supporting schedules for 2007;²

(b) Calculation of the Debtors' tax depreciation for the 2007 tax year;

² The engagement letter also covers services related to the preparation of Quebecor's 2008 and 2009 tax returns, which the Debtors may opt out from after preparation of the 2007 tax returns.

(c) Those services listed on Appendix B to the engagement letter (the “Engagement Letter”) annexed as Exhibit C to the Application;

(d) Tax consulting advice, either written or oral, related to matters not otherwise covered by separate engagement letters; and

(e) Performance of such other tax compliance and/or consulting services as agreed to between the Debtors and KPMG US.³

6. KPMG US is a firm of independent public accountants (as defined in the Code of Professional Conduct of the American Institute of Certified Public Accountants) and is one of the four largest accounting and auditing, tax, and consulting firms in the United States, maintaining both a national and international practice, and has significant experience serving as an independent auditor and in various other accounting and tax roles for troubled companies and companies in chapter 11. KPMG US has been retained as accountants, and tax and financial advisors to render professional services to debtors, creditors, creditors’ committees, investors, and others in numerous bankruptcy cases in this and other jurisdictions.

7. KPMG will work with the Debtors and other tax providers retained by the Debtors in these cases to help ensure that the services to be provided to the Debtors by KPMG US are not duplicative of those efforts provided by any other professionals retained by the Debtors.

³ Any additional engagement letters entered into by the parties will be filed with the Bankruptcy Court.

Disinterestedness and Eligibility

8. Based upon information supplied by the Debtors' counsel to KPMG US as of March 12, 2008, KPMG US reviewed its client database to identify any connection or relationship with entities in the following categories:

- a. The Debtor and Affiliated Debtors;
- b. The Debtors' Shareholder;
- c. The Debtors' Officers and Directors;
- d. Professionals retained in these cases;
- e. Financing Providers;
- f. Indenture Trustees;
- g. Other General Unsecured Creditors on the top 60 Consolidated Creditor List;
- h. U.S. Bankruptcy Judges in the Southern District of New York;
- i. United States Trustee, Assistant United States Trustees and other professionals in the Office of the United States Trustees; and
- j. Major Unions.

The names provided to KPMG US by Debtors' counsel are set forth in Appendix 1 hereto.

9. KPMG US's review consisted of queries of an internal computer database containing names of individuals and entities that are present or recent and former clients of KPMG US in order to identify potential relationships.⁴ This database includes engagement

⁴ As set forth in paragraph 16, KPMG US is the United States member firm of KPMG International, a Swiss cooperative of independent member firms. While KPMG US is a separate and distinct legal entity from all other members firms of KPMG International, in an attempt to identify conflicts among or between KPMG International member firms, KPMG International has a global conflict internal computer database related to engagement activity or potential engagement activity of such member firms since May 2, 2005 that allows KPMG International member firms to identify potential conflicts between other KPMG International member firms. Financial information pertaining to engagement activity is the proprietary and confidential information of each individual member firm and KPMG US does not have any legal right to access, or if accessed, disclose, such information relating to other KPMG International member firms. Appendix 2 contains a list of the

activity from May 2, 2005 forward. A summary of those current potential relationships that KPMG US was able to identify using its reasonable efforts is reflected in Appendix 2 attached hereto. On an ongoing basis, KPMG US will conduct further reviews of its professional contacts as it becomes aware of new parties of interest, as is stated below.

10. To the best of my knowledge and based upon the results of the relationship search described above and disclosed herein, KPMG US neither holds nor represents an interest adverse to the Debtors that would impair KPMG US's ability to objectively perform professional services for the Debtors in accordance with section 327(a) of the Bankruptcy Code.

11. To the best of my knowledge, KPMG US is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that KPMG US:

(a) is not a creditor, equity security holder or insider of the Debtors;

(b) is not and was not, within two years before the date of filing of the Debtors' chapter 11 petitions, a director, officer, or employee of the Debtors; and

(c) does not have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

12. As of the date the Debtors filed for bankruptcy protection, KPMG US was not a "creditor" of any of the Debtors within the meaning of section 101(10) of title 11 of the Bankruptcy Code.

13. To the best of my knowledge, except as set forth herein and in Appendix 2, (a) KPMG US has no connections with the creditors, other parties-in-interest, or the respective attorneys and accountants listed in Appendix 1; (b) and the KPMG US partners and professionals working on this matter are not relatives of the United States Trustee for the Southern District of

relationships or potential relationships of all KPMG International member firms (as opposed to solely KPMG US) and one or more of the parties listed on Appendix 2.

New York (the "U.S. Trustee") or any person employed in the Office of the U.S. Trustee, or any United States Bankruptcy Judge of the Southern District of New York.

14. KPMG US has in the past been retained by, and presently and likely in the future will provide services for, certain creditors of the Debtors, other parties-in-interest, and their respective attorneys and accountants in matters unrelated to such parties' claims against the Debtors or interests in these chapter 11 cases. KPMG US (or one of its KPMG International member firms) currently performs, may have performed or has previously performed services for the parties listed in Appendix 2, however, except as disclosed herein, such services, to the extent performed by KPMG US, are unrelated to the Debtors or these cases. Of the KPMG US clients identified on Appendix 2 as creditors and other parties in interest, no client represents equal or greater than 1% of the annual revenues of KPMG US for FY 2007. None of the services that KPMG US currently provides to the potential parties in interest listed on Appendix 2, regardless of the size or significance of the client involved, would compromise in any way KPMG US's ability to provide services to the Debtors outlined in the Application to which this Declaration relates, nor will KPMG US agree at any point in the future to provide services to any party that could compromise its ability to serve the Debtors in this matter.

15. As noted above, KPMG US has not provided, and will not provide, any professional services to any of the creditors, other parties-in-interest, or their respective attorneys and accountants with regard to any matter related to these chapter 11 cases.

16. KPMG US is the United States member firm of KPMG International, a Swiss cooperative of independent member firms, each a separate legal entity, located worldwide. Client services are provided by member firms of KPMG International or by other independent firms licensed by member firms to use the KPMG name. Member firms generally are locally

owned and are responsible for their own liabilities. KPMG US cannot assure that an engagement will not be accepted by a foreign member firm of KPMG International for another party that may bear upon KPMG US's engagement by the Debtors or be adverse to the Debtors. However, to the extent KPMG US is aware of such engagement and believes such engagement may bear upon KPMG US's engagement by the Debtors or be adverse to the Debtors, KPMG US will file a supplemental declaration with the Court. In addition, KPMG International member firms perform services for non-Debtor affiliates of the Debtors and such KPMG International member firms may be owed funds from such non-Debtor affiliates.

17. The Application seeks to retain KPMG US. By separate application filed simultaneously with the Application, the Debtors are seeking to retain KPMG LLP (Canada) ("KPMG Canada") to perform work not covered by the Engagement Letter with the Debtors, which work includes Internal Revenue Service examinations for the 2005, 2006 and 2007 tax years. In regard to such Internal Revenue Service examination engagement between KPMG Canada and the Debtors, KPMG Canada has agreed to comply with KPMG US's tax return standards for the tax years included in this separate tax controversy engagement. See Declaration of Nathalie Bernier in support of the Debtors' application to retain KPMG LLP (Canada) (the "Bernier Declaration") at ¶ 5. Notwithstanding the separate engagements, from time to time, KPMG US intends to use certain tax professionals from KPMG Canada in connection with its engagement by the Debtors, which professionals either previously have worked for the Debtors or who have a particular expertise respecting the engagement. The use of such professionals will allow KPMG US to maximize resources and minimize costs to the Debtors' estates. Indeed, KPMG International member firms enjoy the benefit of being able to provide clients with a global consistent set of multidisciplinary financial and accounting services

by using the services of such member firms when such use would maximize efficiencies and minimize costs for the client. KPMG US will not make a profit from the use of such professionals and KPMG US will pay KPMG Canada for the use of its tax professionals through a KPMG inter-member firm agreement. Based on my inquiry of the KPMG Canada tax professionals identified to date that will work with KPMG US on this engagement, none hold or represent any interest adverse to the estates that would impair KPMG US's ability to objectively perform services for the Debtors in accordance with section 327 of the Bankruptcy Code. Further, the Bernier Declaration provides that if KPMG Canada's retention is authorized and approved by this Court, it will be disinterested.⁵ In any event, if the Bankruptcy Court authorizes and approves the retention of KPMG Canada, both KPMG International member firms will work together and with the Debtors to help ensure that services to be provided do not overlap.

18. KPMG US understands from KPMG Canada that KPMG Canada has a long history (more than 25 years) with the Debtors. See Bernier Declaration at ¶ 4. As a result of the long history between KPMG Canada and Quebecor, as a global company and, upon information and belief, in order to simplify billing matters for Quebecor, the majority of the engagements between KPMG Canada and Quebecor have been with Quebecor World, Inc. ("QWI"), the Canadian parent of the Debtors, on behalf of itself or an affiliate of QWI. Id. at ¶ 16. However, from time to time, KPMG Canada has been engaged by one or more of the Debtors (as well as jointly with one or more of the Debtors and one or more Quebecor affiliates) to perform work for (or on behalf of) the Debtors. Id. at ¶ 17. In connection with engagements related to U.S. tax

⁵ KPMG US submits that the use of a limited number of KPMG Canada professionals in the tax consulting and compliance services to be performed is essential to an efficient engagement. While KPMG US could perform the necessary and required work without the assistance of such professionals, the institutional knowledge and the expertise such professionals would bring to the engagement would be highly beneficial to the Debtors and minimize costs. KPMG US, thus, submits that regardless of whether KPMG Canada's retention is approved by this Court, the use of such professionals should be approved.

services, KPMG Canada has in the past sub-contracted with KPMG US to perform a majority of the work for which KPMG Canada was engaged. KPMG Canada directly paid KPMG US for such services and such payment was not dependent upon whether the Quebecor entity(ies) paid KPMG Canada. In connection with such services performed by KPMG US for KPMG Canada prior to the commencement of the Debtors' bankruptcy cases, KPMG Canada paid KPMG US \$30,000 in the 90-day period prior to the commencement of the Debtors' bankruptcy cases and KPMG Canada owes KPMG US approximately \$380,000 for work performed in connection with such engagements. KPMG US has agreed, subject to approval of its and KPMG Canada's retention in these chapter 11 cases, not to collect \$100,000 of the amount outstanding from KPMG Canada.

19. As set forth in the Bernier Declaration, if KPMG Canada's retention is approved by this Court, KPMG Canada has agreed not to collect from the Debtors any pre-petition fees owed to it solely by one or more of the Debtors. *Id.* at ¶ 17. However, if QWI or another non-Debtor affiliate was a party to a signed engagement letter with KPMG Canada, KPMG is not waiving its claims against any such non-Debtor, including QWI. *Id.* With respect to amounts owed by KPMG Canada to KPMG US, if KPMG Canada collects any amounts from QWI in its insolvency proceedings in Canada relating to amounts owed under KPMG US inter-member firm agreements, it is KPMG US's understanding that KPMG Canada intends to pay KPMG US for such outstanding amounts, however, such payments will be from QWI, not from assets of the Debtors estates.⁶

⁶ As set forth in the Bernier Declaration, KPMG Canada has relationships with non-Debtor affiliates of the Debtors and amounts are owed to KPMG Canada in connection with such non-Debtor relationships. Bernier Declaration at ¶ 16.

20. KPMG US has been retained by QWI as well as the Debtors' pensions plans and 401(k) plans.⁷ The Debtors are not parties to those engagement letters. To the extent there is a deficit in one or more of such plans, the Debtors may be asked to make payments to such plans. KPMG US does not anticipate receiving payments directly from the Debtors in respect of such engagement nor have any arrangements been made to receive payments directly from the Debtors.

21. In addition to the foregoing, from time to time, KPMG US may consult with independent contractors, such as software providers, as well as certain tax professionals from member firms of KPMG International (in addition to KPMG Canada) when necessary to the performance of its professional duties and services to the Debtors, including to maximize efficiencies and minimize costs to the Debtors. KPMG US will not make a profit from such the use of such professionals.

22. As part of its practice, KPMG US appears in many cases, proceedings, and transactions involving many different law firms, financial consultants, and investment bankers in matters unrelated to these chapter 11 cases. KPMG US has not identified any material relationships or connections with any law firm, financial consultant, or investment banker involved in these chapter 11 cases that would cause it to be adverse to the Debtors, the Debtors' estates, any creditor or any other parties-in-interest. Additionally, KPMG US's policies and client letters of engagement both include provisions for confidentiality of client and engagement information, which apply to all KPMG US client relationships.

23. If and when additional information becomes available with respect to any other relationships which may exist between KPMG US, foreign member firms of KPMG

⁷ Any audit services related to the Debtors' pension plans or 401(k) plans will not include any services by KPMG US related to the design, implementation or modification of the plans.

International, or their partners and professionals and the Debtors, creditors or any other parties-in-interest which may affect these cases, supplementary declarations describing such information shall be filed with the Bankruptcy Court.

Professional Compensation

24. Subject to Bankruptcy Court approval and in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, applicable U.S. Trustee guidelines, and the Local Rules, KPMG US will seek payment for compensation on an hourly basis; provided, KPMG US's fees for tax compliance services will be the lesser of actual time incurred at the hourly rates listed below and \$850,000,⁸ plus reimbursement of actual and necessary expenses incurred by KPMG US.⁹

25. KPMG US has agreed to be compensated for professional services rendered at a discount from KPMG US's normal and customary rates. Specifically, for this tax engagement, KPMG US's customary hourly rates have been reduced by 25% - 50% and are consistent with, and in certain instances in these cases, lower than, the rates charged in other bankruptcy and non-bankruptcy matters of this type by the professionals assigned to this engagement and are outlined in the Application for the employment of KPMG US. In the normal course of KPMG US's business, the hourly rates are subject to periodic increase. To the extent such hourly rates are increased, KPMG US requests that, with respect to the work to be performed after such increase, the rates listed below be amended to reflect the increase.

⁸ The \$850,000 includes \$100,000 for fees for additional services based on the hourly rates for time incurred by professionals in connection with, among other things, fixed assets (AM reports, intercompany transfers, proceeds etc.), various M-3 items (including the computation of certain reserve items, Sec. 163(j) limitation and Sec. 199 manufacturing deduction) and various state related matters.

⁹ The discounted maximum charge (excluding expenses) decreases for 2008 and 2009 and will be \$800,000 and \$775,000, respectively.

26. The discounted hourly rates for tax compliance services to be rendered by KPMG

US and applicable herein are as follows:

Partner	\$400
Associate Partner/Senior Principal	\$363
Tax Managing Director	\$325
Senior Manager	\$305
Manager	\$213
Senior Tax Associate	\$168
Tax Associate	\$138

27. The discounted hourly rates for tax consulting services to be rendered by KPMG

US and applicable herein are as follows:

Partner	\$505
Associate Partner/Senior Principal	\$475
Tax Managing Director	\$455
Senior Manager	\$420
Manager	\$332
Senior Tax Associate	\$245
Tax Associate	\$192

28. KPMG US also will seek reimbursement for reasonable necessary expenses incurred in connection with the Debtors' chapter 11 cases, which shall include non-local travel, lodging, and meals, and other out-of-pocket expenses incurred in providing professional services.

29. KPMG US intends to apply to the Court for the allowance of compensation for professional services rendered and reimbursement of expenses incurred in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and Local Rules.

30. KPMG US has agreed to accept as compensation such sums as may be allowed by the Bankruptcy Court. KPMG US understands that interim and final fee awards are subject to approval by the Bankruptcy Court.

31. KPMG US did not receive any payments from the Debtors during the ninety (90) day period prior to the date on which these chapter 11 cases were commenced.

32. Except as set forth in paragraphs 17 through 19, to the best of my knowledge, (a) no commitments have been made or received by KPMG US, nor any employee thereof, with respect to compensation or payment in connection with these cases other than in accordance with the provisions of the Bankruptcy Code, and (b) KPMG US has no agreement with any other entity to share with such entity any compensation received by KPMG US in connection with these chapter 11 cases.

33. The Engagement Letter provides that (i) KPMG US's limitation of liability will not apply to damages arising from KPMG US's bad faith, self-dealing, breach of fiduciary duty (if any such duty exists), gross negligence or willful misconduct; and (ii) neither party will be indemnified for damages arising from their bad faith, self-dealing, breach of fiduciary duty (if any such duty exists), gross negligence or willful misconduct.

34. The Engagement Letter also provides that except for each party's indemnification obligations, and except in the case of damages arising from KPMG US's bad faith, self-dealing, breach of fiduciary duty (if any duty exists), gross negligence or willful misconduct, the total aggregate liability of KPMG US to Quebecor World (USA), Inc. (and any affiliate thereof or any other person or entity for or in respect of which any of the services set forth in the Engagement Letter have been provided) for any and all claims in connection with the performance of the services pursuant to the Engagement Letter shall be limited to five (5) times the fees actually paid to KPMG US pursuant to the Engagement Letter in respect of the services set forth therein directly relating to and forming the basis of such claim, regardless of the bases for such claim.

35. The Engagement Letter also provides that the Debtors may terminate the engagement at any time by giving written notice to KPMG US not less than ten (10) calendar days before the effective date of termination. KPMG US may terminate the engagement letter for cause by giving written notice to the Debtors of not less than ten (10) calendar days before the effective date of termination, provided that the Debtors shall have five (5) calendar days after receiving such written notice to cure, if possible, the events or circumstances constituting the “cause” and, thereafter, to notify KPMG US of such cure. In addition, the terminating party shall provide the Court, the U.S. Trustee, the Creditors’ Committee and the Fee Review Committee (if any) with five (5) business days’ notice of termination. The provisions of the Engagement Letter relating to indemnification, limitation on damages, infringement, confidentiality, fees and expenses will remain operative and in full force and effect regardless of any termination or expiration of the Engagement Letter and shall survive completion of the Debtors’ bankruptcy, whether through a confirmed plan or reorganization, liquidation of the Debtors’ assets under chapter 11 or 7 of the Bankruptcy Code, or otherwise.

36. Pursuant to the Engagement Letter, the Debtors and KPMG US have agreed that any dispute or claim between KPMG US and the Debtors arising out of or relating to the Engagement Letter or any other services provided by or on behalf of KPMG US to the Debtors or at the Debtors’ request (including any dispute or claim involving any person or entity for whose benefit the services in question are or were provided) will be resolved in accordance with the dispute resolution procedures as set forth in the engagement letter (the “Dispute Resolution Procedures”). Notwithstanding the Dispute Resolution Procedures provided for in the engagement letter, KPMG US acknowledges that any dispute or claim relating to their engagement also may be brought before the Bankruptcy Court.

37. As stated in the Engagement Letter, KPMG US has acknowledged that the Bankruptcy Court must approve its fees in order to be compensated. In that regard, KPMG US intends to file applications with the Court for allowance of compensation and reimbursement of expenses in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and any order of this Court establishing procedures for monthly compensation and reimbursement of expenses for professionals. KPMG US will submit time records in a summary format which shall set forth a description of the services rendered by each restructuring professional and the amount of time spent on each date, in half-hour (.5) increments, by each such individual in rendering services on behalf of the Debtors.

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

Executed this 7th day of April, 2008.

A handwritten signature in black ink, appearing to read "Michael Lawler", written in a cursive style.

MICHAEL LAWLER

APPENDIX 1

Debtor and Affiliated Debtors

Quebecor World (USA) Inc.
Quebecor Printing Aviation Inc.
Quebecor Printing Holding Company
Quebecor World Arcata Corp.
Quebecor World Atglen Inc.
Quebecor World Atlanta II LLC
Quebecor World Book Services LLC
Quebecor World Buffalo Inc.
Quebecor World Capital Corporation
Quebecor World Capital II GP
Quebecor World Capital II LLC
Quebecor World Century Graphics Corporation
Quebecor World Dallas II Inc.
Quebecor World Dallas, L.P.
Quebecor World DB Acquisition Corp.
Quebecor World Dittler Brothers Inc.
Quebecor World Dubuque Inc.
Quebecor World Eusey Press Inc.
Quebecor World Fairfield Inc.
Quebecor World Great Western Publishing Inc.
Quebecor World Hazleton Inc.
Quebecor World Infiniti Graphics Inc.
Quebecor World Johnson & Hardin Co.
Quebecor World KRI Inc.
Quebecor World Krueger Acquisition Corp.
Quebecor World Lease GP
Quebecor World Lease LLC
Quebecor World Lincoln Inc.
Quebecor World Logistics Inc.
Quebecor World Loveland Inc.
Quebecor World Magna Graphic Inc.
Quebecor World Memphis LLC
Quebecor World Mid-South Press Corporation
Quebecor World Mt. Morris II LLC
Quebecor World Nevada II LLC
Quebecor World Nevada Inc.
Quebecor World Northeast Graphics Inc.
Quebecor World Olive Branch Inc.
Quebecor World Pendell Inc.
Quebecor World Petty Printing Inc.
Quebecor World Printing (USA) Corp.

Quebecor World RAI Inc.
Quebecor World Retail Printing Corporation
Quebecor World San Jose Inc.
Quebecor World Systems Inc.
Quebecor World Taconic Holdings Inc.
Quebecor World UP / Graphics Inc.
Quebecor World Waukee Inc.
QW Memphis Corp.
QW New York Corp.
The Webb Company
WCP-D, Inc.
WCZ, LLC

Shareholder

Quebecor World, Inc.

Officers and Directors

Michèle Bolduc
Kevin J. Clarke
Philippe Cloutier
Marie-É. Chlumecky
Gregg Gavin
Doron D. Grosman
Gregory Harrison
Brian Freschi
Francis B. Jacobs II
Sandra Luby
Jacques Mallette
David McCarthy
Brad Nathan
Laura Norden
Jeremy Roberts
John Ross
Mario Saucier
Robert Stepusin
Joan Yori

Professionals

Arnold & Porter LLP
Ernst & Young
Ogilvy Renault
UBS Financial Advisors

KPMG LLP
Morgan Stanley
Donlin, Recano & Company

Financing Providers

Royal Bank of Canada
ABN AMRO Bank N.V.
Bank of America, N.A., Canada Branch
Bank of America, N.A.
BNP Paribas (Canada)
BNP Paribas, Dublin Branch
Citibank, N.A. Canadian Branch
Citibank, N.A.
The Bank of Nova Scotia (Canada)
The Bank of Nova Scotia (New York)
The Toronto-Dominion Bank
Toronto Dominion (Texas) LLC
Bank of Montreal (Canada)
Bank of Montreal (USA)
Congress Financial Corporation (Canada)
Wachovia Bank, National Association
Canadian Imperial Bank of Commerce
CIBC Inc. (USA)
National Bank of Canada
Nordea Bank Finland PLC, New York Branch
Bank of Tokyo-Mitsubishi (Canada)
The Bank of Tokyo-Mitsubishi, Ltd. New York Branch
JP Morgan Chase Bank, N.A. Toronto Branch
JP Morgan Chase Bank, N.A.
Societe Generale (Canada)
Societe Generale (New York)
Sampo Bank PLC
Credit Suisse

Indenture Trustee

Wilmington Trust
The Bank of New York

Other General Unsecured Creditors on the Top 60 Consolidated Creditor List

Abitibi Consolidated Sales
Cellmark Paper Inc

Midland Paper
Bowater Inc
AIG Credit Corp of Canada
Catalyst Paper Inc
Graphic Communications
Norske Skog USA Inc
Stora Enso North America
Packaging Corp of America
UPM Kymmeme Inc
Myllykoski North America
Aaron Direct
Day International Inc
NewPage Corporation
At Clayton Corp
Roosevelt Paper Company
Horizon Paper Co
Quebecor World Baird-Ward Inc. Retirement Plan
Quebecor World Buffalo Inc. Retirement Plan for Hourly Employees
Quebecor World Kingsport Inc. Pension Plan for Hourly Bargaining Unit Employees of
Kingsport, Hawkins, Sherwood and Distribution
Quebecor World Mt. Morris II Inc. Employees' Pension Plan
The Pension Plan for Hourly Employees of the Salem Gravure Division of Quebecor World
(USA) Inc.
Quebecor World Pension Plan
Millwood Inc
Nippon Paper Industries USA Co
Atmos Energy Marketing LLC
AEP Industries
Blue Heron Paper Company
HB Fuller Company
Xpedx
Clifford Paper
Tembec Enterprises Inc
Verso Paper
Oji Paper Canada Ltd
Federal Express
Rock Tenn Company
Stadacona Inc
Preprint Logistics Management
Caraustar
Forbo Adhesives
Gould Paper Corporation
Goss International Americas
MEGTEC Systems Inc
Georgia Power Co
MSC Industrial Supply Co Inc

Randstad Staffing Services
Applied Industrial
Merced Irrigation District
Motion Industries Inc
Hess Corporation
Sempra Energy Solutions
Suez Energy Resources NA

United States Bankruptcy Judges in the Southern District of New York

Judge Stuart M. Bernstein
Judge Prudence C. Beatty
Judge Robert D. Drain
Judge Robert G. Gerber
Judge Martin Glenn
Judge Arthur J. Gonzalez
Judge Allen L. Gropper
Judge Adlai S. Hardin
Judge Burton R. Lifland
Judge Cecelia G. Morris
Judge James M. Peck

United States Trustee

Diana G. Adams, United States Trustee
Linda A. Riffkin (Assistant US Trustee)
Tracy Hope Davis (Assistant US Trustee)
Susan Golden (Trial Attorney)
Nazar Khodorosvsky (Trial Attorney)
Alicia M. Leonhard (Trial Attorney)
Brian S. Masumoto (Trial Attorney)
Serene Nakano (Trial Attorney)
Marylou Martin (Trial Attorney)
Richard C. Morrissey (Trial Attorney)
Paul K. Schwartzberg (Trial Attorney)
Andy Velez-Rivera (Trial Attorney)
Greg M. Zipes (Trial Attorney)

Major Unions

International Brotherhood of Electrical Workers
International Brotherhood of Teamsters
International Association of Machinists

APPENDIX 2

Debtor and Affiliated Debtors

Quebecor World (USA) Inc.
Quebecor Printing Aviation Inc.
Quebecor Printing Holding Company
Quebecor World Arcata Corp.
Quebecor World Atglen Inc.
Quebecor World Atlanta II LLC
Quebecor World Book Services LLC
Quebecor World Buffalo Inc.
Quebecor World Capital Corporation
Quebecor World Capital II GP
Quebecor World Capital II LLC
Quebecor World Century Graphics Corporation
Quebecor World Dallas II Inc.
Quebecor World Dallas L.P.
Quebecor World DB Acquisition Corp
Quebecor World Dittler Brothers Inc.
Quebecor World Dubuque Inc
Quebecor World Eusey Press Inc.
Quebecor World Fairfield Inc
Quebecor World Great Western Publishing Inc.
Quebecor World Hazleton Inc.
Quebecor World Infiniti Graphics Inc.
Quebecor World Johnson & Hardin Co.
Quebecor World KRI Inc.
Quebecor World Kruger Acquisition Corp
Quebecor World Lease GP
Quebecor World Lease LLC
Quebecor World Lincoln Inc.
Quebecor World Logistics Inc.
Quebecor World Loveland Inc.
Quebecor World Magna Graphics Inc.
Quebecor World Memphis LLC
Quebecor World Mid-South Press Corporation
Quebecor World Mt. Morris II LLC
Quebecor World Nevada II LLC
Quebecor World Nevada Inc.
Quebecor World Northeast Graphics Inc.
Quebecor World Olive Branch Inc.
Quebecor World Pendell Inc.
Quebecor World Petty Printing Inc.
Quebecor World Printing (USA) Corp.
Quebecor World RAI Inc.

Quebecor World Retail Printing Corporation
Quebecor World San Jose Inc.
Quebecor World Systems Inc.
Quebecor World Taconic Holdings Inc.
Quebecor World UP / Graphics Inc.
Quebecor World Waukee Inc.
QW Memphis Corp.
QW New York Corp.
The Webb Company
WCP-D, Inc.
WCZ, LLC

Shareholder

Quebecor World, Inc.

Officers and Directors

Kevin J. Clarke
Gregory Harrison

Professionals

Ernst & Young
Ogilvy Renault
Morgan Stanley
UBS Financial Advisors

Financing Providers

Royal Bank of Canada
ABN Amro Bank N.V.
Bank of America, N.A., Canada Branch
Bank of America, N.A.
BNP Paribas (Canada)
BNP Paribas, Dublin Branch
Citibank, N.A. Canadian Branch
Citibank, N.A.
The Bank of Nova Scotia (Canada)
The Bank of Nova Scotia (New York)
The Toronto-Dominion Bank
Toronto-Dominion (Texas) LLC
Bank of Montreal (Canada)
Bank of Montreal (USA)
Congress Financial Corporation (Canada)
Wachovia Bank, National Association

Canadian Imperial Bank of Commerce
CIBC Inc. (USA)
National Bank of Canada
Bank of Tokyo-Mitsubishi (Canada)
The Bank of Tokyo-Mitsubishi, Ltd. New York Branch
JP Morgan Chase Bank, N.A. Toronto Branch
JP Morgan Chase Bank, N.A.
Societe General (Canada)
Societe General (New York)
Sampo Bank PLC
Credit Suisse
Credit Suisse Securities (USA) LLC
Morgan Stanley Senior Funding, Inc.

Indenture Trustee

Wilmington Trust
The Bank of New York

Other General Unsecured Creditors on the Top 60 Consolidated Creditor List

Abitibi Consolidated Sales
Cellmark Paper Inc.
Bowater Inc
AIG Credit Corp of Canada
Catalyst Paper Inc
Graphic Communications
Packaging Corp of America
Myllykoski North America
Day International Inc
NewPage Corporation
Quebecor World Buffalo Inc. Retirement Plan for Hourly Employees
Quebecor World Kingsport Inc. Pension Plan for Hourly Bargaining Unit Employees of
Kingsport, Hawkins, Sherwood and Distribution
Quebecor World Mt. Morris II Inc. Employees' Pension Plan
Quebecor World Baird-Ward Inc. Retirement Plan
The Pension Plan for Hourly Employees of the Salem Gravure Division of Quebecor
World (USA) Inc.
Quebecor World Pension Plan
Nippon Paper Industries USA Co
Atmos Energy Marketing LLC
AEP Industries
Blue Heron Paper Company
HB Fuller Company
Xpedx

Tembec Enterprises Inc
Oji Paper Canada Ltd
Federal Express
Rock Tenn Company
Caraustar
Forba Adhesives
Goss International Americas
MEGTEC Systems Inc
Georgia Power Co
Randstad Staffing Services
Applied Industrial
Motion Industries Inc
Hess Corporation
Sempra Energy Solutions
Suez Energy Resources NA

United States Bankruptcy Judges in the Southern District of New York
Judge Martin Glenn

Major Unions

International Brotherhood of Electrical Workers
International Brotherhood of Teamsters

EXHIBIT D

Quebecor World (USA) Inc., et al
Summary Of Hours and Discounted Fees Incurred By Professional
April 7, 2008 though April 30, 2008

<u>Professional</u>	<u>Position</u>	<u>Current Hours Billed</u>	<u>Discounted Hourly Rate</u>	<u>Discounted Fees Billed</u>
Burns, Jeffrey J	Manager	2.0	\$ 213	\$ 426.00
Campbell, Celeste H.	Associate	3.0	\$ 138	414.00
Crowell, Theodore E	Senior Associate	39.0	\$ 168	6,552.00
Gamba, Margarita B	Associate	12.5	\$ 138	1,725.00
Gremer, John F	Partner	2.5	\$ 400	1,000.00
Nguyen, Anh	Manager	7.5	\$ 213	1,597.50
Savanovic, Boris	Associate	12.7	\$ 138	1,752.60
Stenander, Robert L	Senior Manager	2.3	\$ 305	701.50
Wilhelmson, Bradley R	Senior Associate	12.9	\$ 168	2,167.20
Total Hours and Fees at Discounted Rate		94.4		\$ 16,335.80
Discounted Fees				\$ 16,335.80
Out of Pocket Expenses				-
Total Fees and Out of Pocket Expenses				\$ 16,335.80

EXHIBIT E
Quebecor World (USA) Inc., et al
Summary of Hours and Discounted Fees Incurred by Category
April 7, 2008 though April 30, 2008

<u>Category</u>	<u>Exhibit</u>	<u>Hours</u>	<u>Fees</u>
Federal Tax Compliance	G1	46.8	\$ 8,425.00
State Tax Compliance	G2	44.6	7,496.80
Fee Statement and Application Preparation	G3	3.0	414.00
Total		<u>94.4</u>	<u>\$ 16,335.80</u>

EXHIBIT F

Quebecor World (USA) Inc., et al
Summary of Out of Pocket Expenses
April 7, 2008 though April 30, 2008

<u>Category</u>	<u>Amount</u>
Airfare	\$ -
Lodging	-
Meals	-
Ground Transportation	-
Miscellaneous	-
Total	\$ -

EXHIBIT F1

Quebecor World (USA) Inc., et al
Detail of Out of Pocket Expenses
April 7, 2008 though April 30, 2008

<u>Name</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
		Air Fare Subtotal	<u>\$ -</u>
		Lodging Subtotal	<u>\$ -</u>
		Meals Subtotal	<u>\$ -</u>
		Ground Transportation Subtotal	<u>\$ -</u>
		Miscellaneous Subtotal	<u>\$ -</u>
		Total Out of Pocket Expenses	<u><u>\$ -</u></u>

EXHIBIT G1

Quebecor World (USA) Inc., et al
Federal Tax Compliance
April 7, 2008 though April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Crowell, Theodore E	04/09/08	Review and analyze download provided by previous accountants regarding the detail for 30,000 assets to facilitate reconciling to the prior year ending information to maintain the continuity of treatment to avoid potential penalties due to a change in treatment.	1.5	\$ 168	\$ 252.00
Nguyen, Anh	04/09/08	Conference call with B. Sonnier and E. Lieng (both Quebecor) regarding 2006 compliance workpapers on the server and review comments regarding them.	1.5	\$ 213	319.50
Crowell, Theodore E	04/11/08	Prepare detailed information to facilitate the import of the fixed asset information into our 3rd party depreciation software to be able to calculate the Federal tax depreciation.	3.0	\$ 168	504.00
Crowell, Theodore E	04/12/08	Prepare detailed information to facilitate the import of the fixed asset information into our 3rd party depreciation software to be able to calculate the Alternative Minimum tax depreciation.	3.9	\$ 168	655.20
Crowell, Theodore E	04/12/08	Prepare detailed information to facilitate import of the fixed asset information into our 3rd party depreciation software to be able to calculate for the State tax depreciation.	3.1	\$ 168	520.80
Crowell, Theodore E	04/14/08	Perform detailed review and analysis of expense calculations provided by prior accountants to facilitate importing process into our 3rd party depreciation software for the Federal tax depreciation.	3.9	\$ 168	655.20
Crowell, Theodore E	04/14/08	Perform detailed review and analysis of expense calculations provided by prior accountants to facilitate importing process into our 3rd party depreciation software for the Alternative minimum tax depreciation.	3.6	\$ 168	604.80
Crowell, Theodore E	04/15/08	Perform detailed review and analysis of expense calculations provided by prior accountants to facilitate importing process into our 3rd party depreciation software for the State tax depreciation.	3.9	\$ 168	655.20
Crowell, Theodore E	04/15/08	Finalize the detail for all three books for import into our 3rd party depreciation software program.	3.9	\$ 168	655.20
Crowell, Theodore E	04/15/08	Continue finalizing the detail for all three books for import into our 3rd party depreciation software program.	0.2	\$ 168	33.60
Crowell, Theodore E	04/16/08	Perform import of detailed information into our 3rd party depreciation software program.	3.9	\$ 168	655.20
Crowell, Theodore E	04/16/08	Review and analyze errors from 3rd party depreciation software program and adjust data to address errors.	2.1	\$ 168	352.80
Crowell, Theodore E	04/17/08	Perform import of adjusted detailed information into our 3rd party depreciation software program.	3.9	\$ 168	655.20
Crowell, Theodore E	04/17/08	Perform comparative analysis of results from KPMG depreciation software to prior accountant reports and client provided information and formulate questions regarding discrepancies requiring resolution.	2.1	\$ 168	352.80
Stenander, Robert L	04/17/08	Review and analyze company's historical tax depreciation.	1.1	\$ 305	335.50
Nguyen, Anh	04/29/08	Follow-up regarding prior year depreciation issues and 12.31.06 tax basis with R. Stenander and T. Crowell (both KPMG).	1.0	\$ 213	213.00
Nguyen, Anh	04/29/08	Review and analyze 12.31.06 workpapers to prepare for the conference call regarding prior year depreciation issues and 12.31.06 tax basis.	1.0	\$ 213	213.00
Nguyen, Anh	04/29/08	Discussion with B. Sonnier and J. Argiris (both Quebecor) regarding prior year tax files.	0.5	\$ 213	106.50
Stenander, Robert L	04/29/08	Continue to review and analyze company's historical tax depreciation.	1.2	\$ 305	366.00

EXHIBIT G1

Quebecor World (USA) Inc., et al
Federal Tax Compliance
April 7, 2008 though April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Nguyen, Anh	04/30/08	Correspondence and conference call with B. Sonnier (Quebecor) regarding 2006 M-3 items.	1.0	\$ 213	213.00
Nguyen, Anh	04/30/08	Conference call with L. Di Palma (Quebecor) on 2006 management fees filing position.	0.5	\$ 213	106.50
Total Federal Tax Compliance			46.8		\$ 8,425.00

EXHIBIT G2

Quebecor World (USA) Inc., et al
 State Tax Compliance
 April 7, 2008 though April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Nguyen, Anh	04/09/08	Conference call with J. Niederman (Quebecor) to discuss previous Quebecor State audits and historical state tax issues.	1.0	\$ 213	\$ 213.00
Burns, Jeffrey J	04/23/08	Review and analyze prior year return information for unitary returns (relates to parent holding company) to determine positions taken on apportionment and other state issues such as intercompany sales and apportionment and discuss with J. Niederman (Quebecor) and B. Wilhelmson (KPMG).	0.5	\$ 213	106.50
Burns, Jeffrey J	04/23/08	Discuss state specific intercompany transactions and impact on overall filing positions of the company with B. Wilhelmson (KPMG) in order to identify the various intercompany transactions and which transactions will require add back modifications to the state returns.	1.0	\$ 213	213.00
Burns, Jeffrey J	04/23/08	Review and evaluate sample tax packages and InSource template to determine proper approach in uploading information.	0.5	\$ 213	106.50
Gamba, Margarita B	04/23/08	Perform staff level review of prior year workpapers to identify states in which over one hundred of the client's entities filed state tax returns and review sales apportionment data and prior year returns to ascertain the methodology used in the prior year.	3.2	\$ 138	441.60
Gremer, John F	04/23/08	Review and analyze sample tax packages and other workpapers for current compliance project.	2.1	\$ 400	840.00
Savanovic, Boris	04/23/08	Review and analyze prior year return information to determine how and to which states the client apportioned income in 2006 to facilitate understanding prior year filing positions and identifying any differences for reporting year 2007.	1.1	\$ 138	151.80
Wilhelmson, Bradley R	04/23/08	Review and analyze prior year return information for unitary returns (relates to parent holding company) to determine positions taken on apportionment and other state issues such as intercompany sales and apportionment and discuss with J. Niederman (Quebecor) and J. Burns (KPMG).	0.5	\$ 168	84.00
Wilhelmson, Bradley R	04/23/08	Discuss state specific intercompany transactions and impact on overall filing positions of the company with J. Burns (KPMG) in order to identify the various intercompany transactions and which transactions will require add back modifications to the state returns.	1.0	\$ 168	168.00
Wilhelmson, Bradley R	04/23/08	Review and analyze prior year unitary combined returns for those states requiring many of the Quebecor entities to file together along with parent in order to determine apportionment methodology and intercompany transactions used in prior year.	1.7	\$ 168	285.60
Gamba, Margarita B	04/28/08	Create a tracking spreadsheet to show which states in which over one hundred of the client's entities filed state tax returns including identification of and labeling filing methodologies employed by the over 30 states where client entities filed in prior years.	3.6	\$ 138	496.80
Gamba, Margarita B	04/28/08	Create a spreadsheet to identify which entities were in the following categories: subsidiaries, divisions, inactive, or consolidating entities which will facilitate more efficiently determining at what level of the entity structure a particular entity is at.	0.9	\$ 138	124.20

EXHIBIT G2

Quebecor World (USA) Inc., et al
State Tax Compliance
April 7, 2008 though April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Gamba, Margarita B	04/28/08	Review and assess the organizational chart for over one hundred entities and over 60 subsidiaries to simplify the client's complex structure into manageable categories.	1.6	\$ 138	220.80
Gamba, Margarita B	04/28/08	Create a tracking spreadsheet to identify and monitor steps needed before preparing the returns for over one hundred entities and sixty divisions including a procedural roadmap for issues that the state team will need to address including client provided data analysis for splitting activity between states, uploading the information into tax return preparation software, further analysis of state modification (e.g., intercompany transactions), and other steps within the return review process.	3.2	\$ 138	441.60
Gremer, John F	04/28/08	Perform partner review and analysis of workpapers being used to report current apportionment information to facilitate the compliance effort in reporting complete and accurate filings.	0.4	\$ 400	160.00
Savanovic, Boris	04/28/08	Consolidate tax information received from client (property, payroll, and sales information for over 60 divisions) into condensed/combined data at the legal entity level to facilitate assessing prior year application of income apportionment to prepare 2007 tax returns.	3.7	\$ 138	510.60
Savanovic, Boris	04/28/08	Meet with S. Dubois (Quebecor) and provide assistance with uploading divisional tax packages with income apportionment information and verify successful uploads online as necessary to start the apportionment computation process at the consolidated entity level.	0.6	\$ 138	82.80
Savanovic, Boris	04/28/08	Review and analyze the method used by client to source sales/revenue and compare to case law/industry standards including research for each over 60 division on what is sold and to what type of customers to facilitate assessment of prior year application of income apportionment to prepare 2007 tax returns.	2.2	\$ 138	303.60
Savanovic, Boris	04/28/08	Continue to review and analyze the method used by client to source sales/revenue and compare to case law/industry standards including research for each over 60 division on what is sold and to what type of customers to facilitate assessment of prior year application of income apportionment to prepare 2007 tax returns.	2.8	\$ 138	386.40
Wilhelmson, Bradley R	04/28/08	Review and evaluate tentative divisional tax packages provided by the client and assess best options to convert the format of the information provided by the client to the format required by the InSource RS software to significantly reduce the time spent hard keying data into software package by staff.	3.9	\$ 168	655.20
Wilhelmson, Bradley R	04/28/08	Continue to review and evaluate tentative divisional tax packages provided by the client and assess best options to convert the format of the information provided by the client to the format required by the InSource RS software to significantly reduce the time spent hard keying data into software package by staff.	3.7	\$ 168	621.60

EXHIBIT G2

Quebecor World (USA) Inc., et al
State Tax Compliance
April 7, 2008 though April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Wilhelmson, Bradley R	04/28/08	Continue to review and evaluate tentative divisional tax packages provided by the client and assess best options to convert the format of the information provided by the client to the format required by the InSource RS software to significantly reduce the time spent hard keying data into software package by staff.	1.7	\$ 168	285.60
Savanovic, Boris	04/29/08	Review and analyze the organization chart provided by the client, creating a legend illustrating each type of entity to facilitate understanding of the client's entity structure, corresponding filing obligations, and intercompany state tax expense disallowance amounts for 2007 state tax returns.	2.3	\$ 138	317.40
Wilhelmson, Bradley R	04/29/08	Respond to B. Savanovic (KPMG) via e-mail regarding Quebecor organizational structure and determining what format to best represent this structure to assist the state team in tracking intercompany state tax expense disallowance amounts that will need to be added back to income in various states.	0.4	\$ 168	67.20
Nguyen, Anh	04/30/08	Conference call with J. Niederman (Quebecor) - state tax professional regarding prior year Massachusetts and Connecticut audits.	1.0	\$ 213	213.00
Total State Tax Compliance			44.6		\$ 7,496.80

EXHIBIT G3

Quebecor World (USA) Inc., et al
Fee Statement and Application Preparation
April 7, 2008 through April 30, 2008

Name	Date	Description	Hours	Rate	Amount
Campbell, Celeste H.	04/16/08	Draft e-mail to Quebecor engagement management requesting preliminary information to facilitate billing process.	0.4	\$ 138	\$ 55.20
Campbell, Celeste H.	04/21/08	Draft e-mail outlining bankruptcy billing process and procedures to send to Quebecor engagement management.	0.7	\$ 138	96.60
Campbell, Celeste H.	04/21/08	Create time reporting template and draft time keeping guidelines to provide to engagement team.	1.0	\$ 138	138.00
Campbell, Celeste H.	04/28/08	Obtain and format SDNY expense guidelines and provide to Quebecor engagement team subsequent to billing call.	0.4	\$ 138	55.20
Campbell, Celeste H.	04/30/08	Follow-up with R. Stenander (KPMG) regarding chargecodes established for Quebecor.	0.2	\$ 138	27.60
Campbell, Celeste H.	04/30/08	Update time reporting template with chargecodes and redistribute to team	0.3	\$ 138	41.40
Total Fee Statement and Application Preparation			3.0		\$ 414.00