

**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 PURSUANT TO 11 U.S.C. §§ 105(a), 362, 363 AND 365 AND FEDERAL RULES OF BANKRUPTCY PROCEDURE 6004, 6006 AND 9019 TO (I) ASSUME, AS AMENDED, (A) AN UNEXPIRED LEASE OF NON-RESIDENTIAL REAL PROPERTY LOCATED IN NASHVILLE, TENNESSEE AND (B) AN UNEXPIRED LEASE OF NON-RESIDENTIAL REAL PROPERTY LOCATED IN TAUNTON, MASSACHUSETTS, (II) AMEND (A) UNEXPIRED LEASE OF NON-RESIDENTIAL REAL PROPERTY LOCATED IN NASHVILLE, TENNESSEE AND (B) UNEXPIRED LEASE OF NON-RESIDENTIAL REAL PROPERTY LOCATED IN TAUNTON, MASSACHUSETTS AND (III) ENTER INTO A STIPULATION OF SETTLEMENT REGARDING LANDLORD’S MOTIONS WITH RESPECT TO UNEXPIRED LEASES OF NON-RESIDENTIAL REAL PROPERTY LOCATED IN NASHVILLE, TENNESSEE AND TAUNTON, MASSACHUSETTS

Upon the motion (the “Motion”)* of the above-captioned debtors (collectively, the “Debtors”) for the entry of an order, authorizing the Debtors to (i) assume, as amended, (a) an unexpired lease of non-residential real property located in Nashville, Tennessee (as defined in the Motion, the “Nashville Lease”) and (b) an unexpired lease of non-residential real property located in Taunton, Massachusetts (as defined in the Motion, the “Taunton Lease,” and together with the Nashville Lease, the “Leases”), (ii) amend (a) the Nashville Lease and (b) the Taunton Lease and (iii) enter into a Stipulation of Settlement regarding landlords’ motions previously filed with this Court with respect to the Leases; the Court having reviewed the Motion and the Declaration of Jeremy Roberts in support of the Motion; and having considered the statements of counsel at a hearing before the Court (the “Hearing”); and the Court having found and ruled that (a) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this proceeding

* Capitalized terms not defined in this Order shall have the meaning ascribed to them in the Motion.

is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (c) venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409, (d) notice of the Motion was appropriate under the circumstances, (e) the conditions for assumption of the Leases, as amended, under section 365 of the Bankruptcy Code, including the cure of any existing defaults thereunder to the extent required by the Landlords, have been or will promptly be satisfied by the Debtors, (f) the Debtors have provided the Landlords with adequate assurance of future performance under the Leases, (g) entry into the Nashville Amendment, the Taunton Amendment and the Stipulation of Settlement, and performance of the Debtors' obligations thereunder, are in the best interests of the Debtors and their bankruptcy estates and represent a sound exercise of the Debtors' business judgment, (h) the terms of the Stipulation of Settlement are fair and reasonable under the circumstances, and (i) approval of the Stipulation of Settlement is in the best interests of the Debtors, their estate and creditors; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish grounds for the relief granted herein;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. The Debtors, including QW Mid-South and QW RPC are authorized, pursuant to section 363 of the Bankruptcy Code, to take all steps necessary to execute and deliver the Nashville Amendment, substantially in the form annexed hereto as Exhibit A, and the Taunton Amendment, substantially in the form annexed hereto as Exhibit B, and to perform all of the agreements, covenants and obligations of set forth in the Nashville Amendment and the Taunton Amendment, and take such additional actions as may be necessary in connection with entry into the Nashville Amendment and the Taunton Amendment.

3. The Debtors are authorized pursuant to 11 U.S.C. § 365 to assume the Leases, as amended, pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006. The Leases shall be deemed assumed effective as of the date of the entry of this Order.

4. The Stipulation of Settlement is hereby approved, and the Debtors, including QW Mid-South and QW RPC are authorized, pursuant to section 363 of the Bankruptcy Code and Fed. R. Bankr. P. 9019(a), to perform all of the agreements, covenants and obligations set forth in the Stipulation of Settlement, and take such additional actions as may be necessary in connection with performance of the Stipulation of Settlement.

5. The ten day stay set forth in Bankruptcy Rule 6004(h) is hereby abrogated and this order shall be immediately effective and enforceable upon entry.

6. The requirement set forth in Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

7. The Debtors are authorized to take all such actions as are necessary or appropriate to implement the terms of this Order.

8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
July 2, 2008

s/ James M. Peck
United States Bankruptcy Judge

Exhibit A

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE between KDN Investments, LLC, as landlord ("Landlord") and Quebecor World Mid-South Press Corporation, a _____ corporation, as tenant ("Tenant") is entered into as of this ____ day of _____, 2008.

RECITALS

A. Landlord and Tenant are parties to a Lease dated July 11, 2001 (the "Lease") pursuant to which Tenant (then known as Mid-South Press Corporation) leased from Landlord the land and improvements thereon located at 2947 Brick Church Pike, Nashville, Tennessee. The Term of the Lease commenced on July 11, 2001 (the "Commencement Date"). Prior to the date hereof, Tenant has exercised Tenant's Expansion Option with respect to the Additional Land and, as a result and pursuant to Section 2.4.3, the Premises is deemed to include the Additional Land.

B. Pursuant to Section 3.1.2 of the Lease, Base Rent for the Lease Year ending on July 10, 2008 is \$772,351.80 per annum, payable in equal monthly installments of \$64,362.65.

C. On January 21, 2008, Tenant filed a voluntary petition for relief with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") commencing a case (the "Bankruptcy Case") under Chapter 11 of the Bankruptcy Code (Case No. 08-10152 (JMP)).

D. Landlord and Tenant have reached agreement concerning, *inter alia*, an extension of the Term, modifications to the Purchase Option, and certain other modifications to the Lease. Landlord and Tenant are entering into this First Amendment to Lease (the "Lease Amendment") in order to set forth their agreements respecting the Lease.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated herein by this reference.
2. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings given them in the Lease.
3. No Default. Except for the Unauthorized Construction Default (defined below), (a) Tenant represents and warrants that (i) no Tenant Default has occurred under the Lease which has not been cured by Tenant, (ii) to its knowledge, no Landlord Default

has occurred under the Lease which has not been cured by Landlord, and (b) Landlord represents and warrants that (i) no Landlord Default has occurred under the Lease which has not been cured by Landlord, and (ii) to its knowledge, no Tenant Default has occurred under the Lease which has not been cured by Tenant. Tenant and Landlord hereby irrevocably waive any claim they may have respecting the calculation of Fixed Rent accruing before July 1, 2008.

4. Unauthorized Construction Default. Tenant acknowledges that its construction prior to the date hereof of an addition to the building located on the Land (the "Unauthorized Addition") without the prior authorization of Landlord, as required under Section 7.2 of the Lease, constitutes a Tenant Default under the Lease (the "Unauthorized Construction Default"). Tenant represents and warrants that, other than the Unauthorized Addition, Tenant has not performed any Construction Work without strictly complying with the procedures governing such Construction Work set forth in Section 7.2 of the Lease. Subject to the terms of this paragraph 4, Landlord hereby waives the Unauthorized Construction Default and all of its rights and remedies under the Lease in consequence thereof. If Tenant fails to exercise the Purchase Option set forth in Section 14.2, Tenant shall, if requested by Landlord, remove by the Termination Date the Unauthorized Addition. Tenant's failure to remove the Unauthorized Addition prior to the Termination Date as provided above shall give rise to a Tenant Default under the Lease and, in addition to any other rights and remedies of Landlord under the Lease, all of which are expressly reserved, Landlord shall be entitled to remove the Unauthorized Addition and seek reimbursement for all costs incurred by Landlord in connection with such removal from Tenant.

5. Modifications to Lease. The Lease is hereby modified as follows:

(a) Section 1.38 of the Lease shall be deleted, and the following substituted therefor:

1.38 Termination Date. The "Termination Date" means the date when this Lease terminates or expires, including without limitation as a result of (a) the occurrence of the Expiration Date, (b) Landlord's exercise of remedies upon the occurrence of a Tenant Default, (c) Tenant's exercise of remedies upon occurrence of a Landlord Default, (d) Tenant's timely exercise of its obligations to close the purchase of the Fee Estate and the Premises pursuant to Section 14.2 of this Lease, (e) Tenant's exercise of its right to terminate this Lease pursuant to Section 12.1, or (f) the termination of this Lease upon the occurrence of Substantial Condemnation pursuant to Section 13.1 of this Lease.

(b) Section 2.1 of the Lease shall be deleted in its entirety, and the following substituted therefor:

2.1 Term of Lease. The term of this Lease (the "Term") shall commence on the date of execution hereof (the "Commencement Date") and shall continue until 11:59 p.m. on July 10, 2010 (the

"Expiration Date"), unless terminated sooner in accordance with the terms of this Lease or unless extended by operation of Section 14.2.4. Tenant shall have no rights to extend the Term of this Lease.

- (c) Section 2.2 of the Lease shall be deleted in its entirety, and the words "Intentionally Omitted" shall be substituted therefor.
- (d) Section 3.1.1 of the Lease shall be modified by deleting the word "Initial" appearing in the first line thereof.
- (e) The following shall be inserted as Section 3.1.4 of the Lease:

Unauthorized Construction Fixed Rent. From and after the Unauthorized Construction Work Commencement Date (as defined in Section 7.2), Fixed Rent shall be two hundred percent (200%) of the amount otherwise due pursuant to Sections 3.1.1 and 3.1.2.

- (f) The following shall be inserted at the end of Section 4.2 of the Lease:

By giving notice to Tenant covering a single Imposition, a specified class of Impositions or all Impositions, Landlord may elect, in its sole and absolute discretion, to pay all or any part of the Imposition(s) that the Lease requires Tenant to pay, and Tenant shall reimburse Landlord for any amount paid by Landlord on account of any Imposition(s) within ten (10) Business Days of Landlord's delivery to Tenant of evidence of Landlord's payment of such Imposition(s), provided, however, that if Tenant has already paid a particular Imposition at the time it receives notice that Landlord elects to pay such Imposition, then Tenant shall immediately give notice to Landlord providing evidence of such payment and, provided that Tenant does so, Tenant shall not be required to reimburse Landlord on account of such Imposition.

- (g) The following sentence shall be inserted after the first sentence of Section 7.2 of the Lease:

Tenant shall reimburse Landlord for its reasonable out-of-pocket costs (including without limitation amounts paid to architectural, engineering or construction consultants) incurred by Landlord in reviewing all requests for Landlord's approval of Construction Work in accordance with this Section 7.2.

In addition, the following shall be inserted at the end of Section 7.2 of the Lease:

If Tenant performs of any Construction Work other than the Unauthorized Addition without complying strictly with the requirements of this Section 7.2 ("Unauthorized Construction Work"),

whether such Unauthorized Construction Work is discovered by Landlord during or after the Term of this Lease, (a) Fixed Rent payable hereunder shall increase to the Unauthorized Construction Fixed Rent Rate, effective as of the date such Unauthorized Construction Work commences (the "Unauthorized Construction Work Commencement Date"), regardless of whether such Default is cured pursuant to Section 17.1.2, (b) the performance of such Unauthorized Construction Work shall be a Non-Monetary Default for which the sole cure shall be the removal of such Unauthorized Construction Work and the restoration of the Premises to its condition prior to the performance of such Unauthorized Construction Work, and (c) all rights and remedies of Landlord under Section 17 in consequence of such Non-Monetary Default are expressly preserved notwithstanding the increase in Fixed Rent and Landlord's acceptance of same. Without in any way limiting Landlord's rights and remedies, Landlord shall be entitled to remove any Unauthorized Construction Work and to seek reimbursement from Tenant for all costs incurred by Landlord in connection with such removal. If Tenant performs any Unauthorized Construction Work, Tenant shall immediately notify Landlord in writing; and at any time when Tenant remits payment of Rent or any other amount due to Landlord not accompanied by any such notice, such act shall constitute Tenant's representation that no Unauthorized Construction Work has occurred. If Landlord at any time determines (whether as a result of notice from Tenant or otherwise) that Unauthorized Construction Work has occurred, Landlord shall provide notice to Tenant in writing (the "Unauthorized Construction Work Notice") of: (x) such determination, including a reasonably specific description of the Unauthorized Construction Work, (y) the Unauthorized Construction Work Commencement Date, as determined (or, if not possible, estimated) by Landlord, and (z) the amount of Unauthorized Construction Fixed Rent (less any amounts paid or payable for Fixed Rent) due for the period commencing on the Unauthorized Construction Work Commencement Date and ending on the Response Deadline, as defined below (the "Retroactive Unauthorized Construction Rent"). The Unauthorized Construction Work Notice and all facts alleged therein shall be deemed admitted by Tenant unless, on or before the tenth Business Day after the delivery of the Unauthorized Construction Work Notice (the "Tenant Response Deadline"), Tenant gives written notice to Landlord of a dispute concerning the Unauthorized Construction Work alleged in such notice, including (if Tenant disputes Landlord's determination that Unauthorized Construction Work was performed) the nature and cost of the work, if any, that was actually performed, with copies of any applicable permits, plans and contracts, and (if Tenant disputes the Unauthorized Construction Work Commencement Date asserted in the Unauthorized Construction Work Notice) a statement of the correct

Unauthorized Construction Work Commencement Date explaining, in reasonable detail, the basis for its determination of the Unauthorized Construction Work Commencement Date (a "Tenant Response Notice"). Regardless of whether Landlord has yet received a Tenant Response Notice, if Tenant initiates a discussion with the Landlord pertaining to the Unauthorized Construction Work Notice prior to the Tenant Response Deadline, then Landlord and Tenant shall in good faith, during the period through and including the day of the Tenant Response Deadline, seek to resolve any disputes that Tenant identifies concerning the Unauthorized Construction Work Notice. During the period when such discussions, or a Construction Work Arbitration (as defined below) are taking place, the period for Tenant to cure the Non-Monetary Default arising out of such Unauthorized Construction Work pursuant to Section 17.1.2 hereof shall be tolled; *provided, however*, that no such tolling shall extend or otherwise affect Tenant's obligation, if any, to complete the removal of the Construction Work at issue at the conclusion of the Term pursuant to this Section 7.2 and Section 7.7 of this Lease. Unless Landlord withdraws the Unauthorized Construction Work Notice on or before the Response Deadline (in which event no Unauthorized Construction Work Commencement Date nor any Tenant Default on account thereof shall be deemed to have occurred), the Retroactive Unauthorized Construction Rent shall be due and payable on the Tenant Response Deadline, and thereafter all Unauthorized Construction Fixed Rent shall be paid when installments of Fixed Rent are due under the Lease, subject to rebate by Landlord to the extent provided in the final order of the arbitrator in the Construction Work Arbitration. If Tenant timely gives a Tenant Response Notice, such notice shall be deemed withdrawn unless, within five Business Days after the Tenant Response Deadline, Tenant submits the disputes concerning the Unauthorized Construction Work Notice that are identified in the Tenant Response (but no other issue) to binding, expedited arbitration (the "Construction Work Arbitration") in accordance with the following procedures:.

- (i) The Construction Work Arbitration shall take place in Boston, Massachusetts;
- (ii) The Construction Work Arbitration shall be conducted before a single arbitrator, to be selected (A) by agreement of the parties from a list maintained by the American Arbitration Association ("AAA") of qualified arbitrators available to conduct arbitrations in Boston, Massachusetts, or (B) if such agreement is not reached within ten Business Days after Tenant submits the dispute to arbitration, by the AAA from such list;

- (iii) The decision of the arbitrator shall be final and nonappealable; and
 - (iv) Except as the parties otherwise agree, the arbitration shall be conducted in accordance with the rules governing the conduct of arbitrations then promulgated by the AAA including, to the extent that AAA has promulgated rules and/or procedures for expedited arbitration, such rules and/or procedures.
- (h) The following shall be inserted at the end of Section 11.3.1 of the Lease:

Additionally, (i) all insurance policies obtained by Tenant pursuant to Section 11.1.2 of this Lease shall include Landlord and any other party as reasonably required by Landlord as a loss payee, and (ii) all insurance policies obtained by Tenant pursuant to Section 11.1.1 of this Lease shall include Landlord and any other party as reasonably required by Landlord as a loss payee with respect to losses affecting the personal property of Tenant which is to become the property of Landlord upon the termination of this Lease.

- (i) The phrase "Tenant shall deliver to Landlord" appearing in Section 11.4 of the Lease shall be deleted, and the following substituted therefore:

Tenant shall deliver to Landlord's counsel, Andrew D. Frieze, Frieze, Cramer Cygelman Rosen & Huber, LLP, 60 Walnut Street, Wellesley, Massachusetts 02481

- (j) The second sentence of Section 13.1 of the Lease shall be modified by deleting therefrom the phrase "Initial Term or the then current Option".

- (k) Section 14.1 of the Lease shall be modified as follows:

- a. The phrase "Tenant's ROFO Option set forth in Section 14.5 below", appearing at the end of the first sentence of Section 14.1, shall be deleted, and the phrase "Tenant's Purchase Option set forth in Section 14.2 below" shall be substituted therefor.
- b. The phrase ", without first offering the Fee Estate, the Premises or its interest under the Lease, as the case may be, to Tenant in accordance with the ROFO Option", appearing at the end of the third sentence of Section 14.1, shall be deleted, and the phrase "subject to Tenant's Purchase Option set forth in Section 14.2 below" shall be substituted therefor.

- (l) Section 14.2 of the Lease shall be deleted, and the following substituted therefor:

14.2 Tenant's Purchase Option. Tenant shall have an option to purchase all of Landlord's right, title and interest in and to the Fee Estate and the Premises (the "Purchase Option"), *provided* that (i) this Lease is in full force and effect, and (ii) no Tenant Default exists: (a) on the date Tenant gives Landlord written notice (the "Purchase Notice") of Tenant's election to exercise the Purchase Option or (b) at any time after Tenant delivers the Purchase Notice and prior to the closing of the Purchase Option. The Purchase Notice shall set forth the date occurring during the Term of the Lease (the "Closing Date") upon which Tenant shall close the transactions required to consummate the Purchase Option. Tenant shall deliver the Purchase Notice to Landlord no later than sixty (60) days prior to the Closing Date. The Closing Date shall not occur after the Termination Date. If Tenant exercises the Purchase Option, the following terms and conditions shall apply:

- (m) Section 14.2.1 of the Lease shall be deleted, and the following substituted therefor:

14.2.1 Purchase Price. The purchase price for Landlord's right, title and interest in and to the Fee Estate and the Premises shall be \$6,150,000 (the "Option Purchase Price"), and shall be delivered to Landlord in immediately available funds on the Closing Date, TIME BEING OF THE ESSENCE for this purpose.

- (n) The following shall be inserted at the end of Section 14.2.4:

Notwithstanding the foregoing, the Premises shall be conveyed free and clear of liens and encumbrances, except (i) any liens and encumbrances affecting the Premises as of the Commencement Date, and (ii) liens and encumbrances affecting the Premises which have been consented to by Tenant or which are the result of Tenant's conduct (such liens and encumbrances, other than those described by clauses (i) and (ii) of this paragraph, are referred to herein as the "Liens"). In the event Landlord cannot procure the removal of any involuntary Liens on or before the date of the closing of the Purchase Option, Landlord shall have the right (but not the obligation) to attempt to procure the removal of such Liens for a period of up to sixty (60) days. If Landlord elects to exercise such right, then: (a) the date for the closing of the Purchase Option shall be extended to a date selected by Landlord during such 60-day period on not less than five (5) Business Days' notice to Tenant and, if it would otherwise occur, the Expiration Date shall be extended accordingly as well; (b) if the closing date is extended for a period of more than twenty (20) days,

Fixed Rent otherwise payable for the period commencing on the twenty-first day of the extension period and ending on the closing date shall be reduced by fifty percent (50%); and (c) Landlord shall reimburse Tenant for Tenant's reasonable out-of-pocket costs (including counsel fees and any other expense paid by Tenant other than compensation to its own personnel) resulting from Landlord's extension of the date for closing the Purchase Option.

- (o) The following sentence shall be inserted at the end of Section 14.2.5 of the Lease:

Tenant's failure to close the purchase of the Landlord's right, title and interest in and to the Fee Estate and the Premises on the Closing Date shall result in the automatic termination of the Purchase Option as of 11:59 p.m. on the Closing Date, without the necessity of notice thereof from Landlord or any other action by Landlord. In such event, this Lease shall remain in full force and effect (other than with respect to the Purchase Option, which shall have been terminated), and Landlord shall be entitled to exercise any and all rights and remedies under the Lease, including without limitation the rights and remedies in consequence of a Tenant Default set forth in Section 17, but Tenant's failure to perform the Purchase Option shall not be a Tenant Default. Within sixty (60) days after termination of the Purchase Option, Landlord may send notice to Tenant consisting of an invoice for Landlord's reasonable out-of-pocket costs (including counsel fees and any other expense paid by Landlord other than compensation to its own personnel) resulting from Tenant's exercise and subsequent failure to close the Purchase Option, which invoice shall be deemed Rent under this Lease and shall be payable within ten (10) Business Days after its receipt by Tenant.

- (p) The second sentence of Section 14.3 shall be deleted in its entirety, and the following substituted therefore:

Provided that (i) Tenant receives an SNDA from any future Fee Mortgagee, in form and substance reasonably satisfactory to Tenant, and (ii) any such future Fee Mortgagee agrees that, in connection with Tenant's exercise of the Purchase Option, it will release the lien of its Fee Mortgage upon receipt of the Option Purchase Price (or such lesser amount as is required at the time of such exercise to pay such Fee Mortgage in full), this Lease will be subject and subordinate to the lien of such Fee Mortgage.

- (q) Clause (c) of the sixth sentence of Section 14.3 of the Lease shall be modified by the deletion of the phrase "Renewal Notice and".

(r) Section 14.5 of the Lease shall be deleted in its entirety, and the words "Intentionally Omitted" shall be substituted therefor.

(s) Section 17.2.9 of the Lease shall be deleted in its entirety, and the following substituted therefor:

17.2.9. Liquidated Damages. At any time after any such termination or repossession, regardless of whether Landlord has collected any current damages, Landlord shall be entitled to recover from Tenant and Tenant shall pay to Landlord, on demand, as liquidated final damages in lieu of all accrued, unpaid damages and all current damages accruing beyond the date of the demand, an amount equal to all Fixed Rent and Additional Rent due or to become due for the lesser of (i) the balance of the Term of this Lease, or (ii) the twelve (12) month period commencing upon the date upon which such termination or repossession occurs.

(t) Tenant's address for notice appearing in Section 20 of the Lease shall be deleted, and the following substituted therefor:

Tenant: Quebecor World Mid-South Press Corporation
[INSERT UPDATED NOTICE ADDRESS]

With a copy to: Quebecor World (USA) Inc.
[INSERT UPDATED NOTICE ADDRESS]

And a copy to: Arnold & Porter LLP
399 Park Avenue
New York, NY 10022-4690
Attention: Michael J. Canning, Esq.

And a copy to: Nutter McClennen & Fish LLP
World Trade Center West
155 Seaport Boulevard
Boston, MA 02210
Attention: Marianne Ajemian, Esq.

(u) Exhibit C to the Lease shall be deleted in its entirety.

6. Bankruptcy Case. Tenant and Landlord are entering into this First Amendment to Lease pursuant to the terms of that certain Stipulation of Settlement (Nashville, Tennessee and Taunton, Massachusetts Leases) dated as of June 9, 2008, which has been approved by the Bankruptcy Court in the Bankruptcy Case (the "Stipulation"). The provisions of the Stipulation are incorporated herein by this reference.

7. Continuing Effect. As modified by this First Amendment to Lease, the Lease shall remain in full force and effect.

Executed under seal as of the date written above.

LANDLORD

KDN INVESTMENTS, LLC

By: KDN Management, Inc., Its Manager

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

TENANT

QUEBECOR WORLD MID-SOUTH PRESS
CORPORATION

By: _____
Name: _____
Title: _____

Exhibit B

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE between Eagle Drive LLC, as successor landlord ("LLC") and Quebecor World Retail Printing Corporation, a _____ corporation, as tenant ("Tenant") is entered into as of this ____ day of _____, 2008.

RECITALS

A. Melvin D. Small and Sarah Small, Trustees of Eagle Drive Trust (together, the "Trustees"), and Tenant are parties to a Lease dated July 11, 2001 (the "Lease") pursuant to which Tenant (then known as Retail Printing Corporation) leased from the Trustees the land and improvements thereon located at 50 John Hancock Road, Taunton, Massachusetts. Pursuant to an Assignment of Lease dated the date hereof (the "Lease Assignment"), the Trustees assigned their rights in and to the Lease to LLC.

B. Pursuant to Section 3.1.2 of the Lease, Base Rent for the Lease Year ending on July 10, 2008 is \$940,864.92 per annum, payable in equal monthly installments of \$78,405.41.

C. On January 21, 2008, Tenant filed a voluntary petition for relief with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") commencing a case (the "Bankruptcy Case") under Chapter 11 of the Bankruptcy Code (Case No. 08-10152 (JMP)).

D. LLC, as successor to the Trustees, and Tenant have reached agreement concerning, *inter alia*, an extension of the Term, modifications to the Purchase Option, and certain other modifications to the Lease. LLC and Tenant are entering into this First Amendment to Lease (the "Lease Amendment") in order to set forth their agreements respecting the Lease.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LLC and Tenant agree as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated herein by this reference.
2. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings given them in the Lease.
3. No Default. Tenant represents and warrants that (i) no Tenant Default has occurred under the Lease which has not been cured by Tenant, (ii) to its knowledge, no Landlord Default has occurred under the Lease which has not been cured by Landlord. Landlord represents and warrants that (i) no Landlord Default has occurred under the

Lease which has not been cured by Landlord, and (ii) to its knowledge, no Tenant Default has occurred under the Lease which has not been cured by Tenant. Tenant and Landlord hereby irrevocably waive any claim they may have respecting the calculation of Fixed Rent accruing before July 1, 2008.

4. Modifications to Lease. The Lease is hereby modified as follows:

- (a) Section 1.38 of the Lease shall be deleted, and the following substituted therefor:

1.38 Termination Date. The "Termination Date" means the date when this Lease terminates or expires, including without limitation as a result of (a) the occurrence of the Expiration Date, (b) Landlord's exercise of remedies upon the occurrence of a Tenant Default, (c) Tenant's exercise of remedies upon occurrence of a Landlord Default, (d) Tenant's timely exercise of its obligations to close the purchase of the Fee Estate and the Premises pursuant to Section 14.2 of this Lease, (e) Tenant's exercise of its right to terminate this Lease pursuant to Section 12.1, or (f) the termination of this Lease upon the occurrence of Substantial Condemnation pursuant to Section 13.1 of this Lease.

- (b) Section 2.1 of the Lease shall be deleted in its entirety, and the following substituted therefor:

2.2 Term of Lease. The term of this Lease (the "Term") shall commence on the Commencement Date and shall continue until 11:59 p.m. on July 10, 2010 (the "Expiration Date"), unless terminated sooner in accordance with the terms of this Lease or unless extended by operation of Section 14.2.4. Tenant shall have no rights to extend the Term of this Lease.

- (c) Section 2.2 of the Lease shall be deleted in its entirety, and the words "Intentionally Omitted" shall be substituted therefor.

- (d) Section 3.1.1 of the Lease shall be modified by deleting the word "Initial" appearing in the first line thereof.

- (e) The following shall be inserted as Section 3.1.4 of the Lease:

Unauthorized Construction Fixed Rent. From and after the Unauthorized Construction Work Commencement Date (as defined in Section 7.2), Fixed Rent shall be two hundred percent (200%) of the amount otherwise due pursuant to Sections 3.1.1 and 3.1.2.

- (f) The following shall be inserted at the end of Section 4.2 of the Lease:

By giving notice to Tenant covering a single Imposition, a specified class of Impositions or all Impositions, Landlord may elect, in its sole and absolute discretion, to pay all or any part of the Imposition(s) that the Lease requires Tenant to pay, and Tenant shall reimburse Landlord for any amount paid by Landlord on account of any Imposition(s) within ten (10) Business Days of Landlord's delivery to Tenant of evidence of Landlord's payment of such Imposition(s), *provided, however,* that if Tenant has already paid a particular Imposition at the time it receives notice that Landlord elects to pay such Imposition, then Tenant shall immediately give notice to Landlord providing evidence of such payment and, provided that Tenant does so, Tenant shall not be required to reimburse Landlord on account of such Imposition.

(g) The following sentence shall be inserted after the first sentence of Section 7.2 of the Lease:

Tenant shall reimburse Landlord for its reasonable out-of-pocket costs (including without limitation amounts paid to architectural, engineering or construction consultants) incurred by Landlord in reviewing all requests for Landlord's approval of Construction Work in accordance with this Section 7.2.

In addition, the following shall be inserted at the end of Section 7.2 of the Lease:

If Tenant performs of any Construction Work without complying strictly with the requirements of this Section 7.2 ("Unauthorized Construction Work"), whether such Unauthorized Construction Work is discovered by Landlord during or after the Term of this Lease, (a) Fixed Rent payable hereunder shall increase to the Unauthorized Construction Fixed Rent Rate, effective as of the date such Unauthorized Construction Work commences (the "Unauthorized Construction Work Commencement Date"), regardless of whether such Default is cured pursuant to Section 17.1.2, (b) the performance of such Unauthorized Construction Work shall be a Non-Monetary Default for which the sole cure shall be the removal of such Unauthorized Construction Work and the restoration of the Premises to its condition prior to the performance of such Unauthorized Construction Work, and (c) all rights and remedies of Landlord under Section 17 in consequence of such Non-Monetary Default are expressly preserved notwithstanding the increase in Fixed Rent and Landlord's acceptance of same. Without in any way limiting Landlord's rights and remedies, Landlord shall be entitled to remove any Unauthorized Construction Work and to seek reimbursement from Tenant for all costs incurred by Landlord in connection with such removal. If Tenant performs any Unauthorized Construction Work,

Tenant shall immediately notify Landlord in writing; and at any time when Tenant remits payment of Rent or any other amount due to Landlord not accompanied by any such notice, such act shall constitute Tenant's representation that no Unauthorized Construction Work has occurred. If Landlord at any time determines (whether as a result of notice from Tenant or otherwise) that Unauthorized Construction Work has occurred, Landlord shall provide notice to Tenant in writing (the "Unauthorized Construction Work Notice") of: (x) such determination, including a reasonably specific description of the Unauthorized Construction Work, (y) the Unauthorized Construction Work Commencement Date, as determined (or, if not possible, estimated) by Landlord, and (z) the amount of Unauthorized Construction Fixed Rent (less any amounts paid or payable for Fixed Rent) due for the period commencing on the Unauthorized Construction Work Commencement Date and ending on the Response Deadline, as defined below (the "Retroactive Unauthorized Construction Rent"). The Unauthorized Construction Work Notice and all facts alleged therein shall be deemed admitted by Tenant unless, on or before the tenth Business Day after the delivery of the Unauthorized Construction Work Notice (the "Tenant Response Deadline"), Tenant gives written notice to Landlord of a dispute concerning the Unauthorized Construction Work alleged in such notice, including (if Tenant disputes Landlord's determination that Unauthorized Construction Work was performed) the nature and cost of the work, if any, that was actually performed, with copies of any applicable permits, plans and contracts, and (if Tenant disputes the Unauthorized Construction Work Commencement Date asserted in the Unauthorized Construction Work Notice) a statement of the correct Unauthorized Construction Work Commencement Date explaining, in reasonable detail, the basis for its determination of the Unauthorized Construction Work Commencement Date (a "Tenant Response Notice"). Regardless of whether Landlord has yet received a Tenant Response Notice, if Tenant initiates a discussion with the Landlord pertaining to the Unauthorized Construction Work Notice prior to the Tenant Response Deadline, then Landlord and Tenant shall in good faith, during the period through and including the day of the Tenant Response Deadline, seek to resolve any disputes that Tenant identifies concerning the Unauthorized Construction Work Notice. During the period when such discussions, or a Construction Work Arbitration (as defined below) are taking place, the period for Tenant to cure the Non-Monetary Default arising out of such Unauthorized Construction Work pursuant to Section 17.1.2 hereof shall be tolled; *provided, however*, that no such tolling shall extend or otherwise affect Tenant's obligation, if any, to complete the removal of the Construction Work at issue at the conclusion of the Term pursuant to this Section 7.2 and Section 7.7 of this Lease. Unless Landlord withdraws the

Unauthorized Construction Work Notice on or before the Response Deadline (in which event no Unauthorized Construction Work Commencement Date nor any Tenant Default on account thereof shall be deemed to have occurred), the Retroactive Unauthorized Construction Rent shall be due and payable on the Tenant Response Deadline, and thereafter all Unauthorized Construction Fixed Rent shall be paid when installments of Fixed Rent are due under the Lease, subject to rebate by Landlord to the extent provided in the final order of the arbitrator in the Construction Work Arbitration. If Tenant timely gives a Tenant Response Notice, such notice shall be deemed withdrawn unless, within five Business Days after the Tenant Response Deadline, Tenant submits the disputes concerning the Unauthorized Construction Work Notice that are identified in the Tenant Response (but no other issue) to binding, expedited arbitration (the "Construction Work Arbitration") in accordance with the following procedures:.

- (i) The Construction Work Arbitration shall take place in Boston, Massachusetts;
- (ii) The Construction Work Arbitration shall be conducted before a single arbitrator, to be selected (A) by agreement of the parties from a list maintained by the American Arbitration Association ("AAA") of qualified arbitrators available to conduct arbitrations in Boston, Massachusetts, or (B) if such agreement is not reached within ten Business Days after Tenant submits the dispute to arbitration, by the AAA from such list;
- (iii) The decision of the arbitrator shall be final and nonappealable; and
- (iv) Except as the parties otherwise agree, the arbitration shall be conducted in accordance with the rules governing the conduct of arbitrations then promulgated by the AAA including, to the extent that AAA has promulgated rules and/or procedures for expedited arbitration, such rules and/or procedures.

(h) The following shall be inserted at the end of Section 11.3.1 of the Lease:

Additionally, (i) all insurance policies obtained by Tenant pursuant to Section 11.1.2 of this Lease shall include Landlord and any other party as reasonably required by Landlord as a loss payee, and (ii) all insurance policies obtained by Tenant pursuant to Section 11.1.1 of this Lease shall include Landlord and any other party as reasonably required by Landlord as a loss payee with respect to losses affecting

the personal property of Tenant which is to become the property of Landlord upon the termination of this Lease.

- (i) The phrase "Tenant shall deliver to Landlord" appearing in Section 11.4 of the Lease shall be deleted, and the following substituted therefore:

Tenant shall deliver to Landlord's counsel, Andrew D. Frieze, Frieze, Cramer Cygelman Rosen & Huber, LLP, 60 Walnut Street, Wellesley, Massachusetts 02481

- (j) The second sentence of Section 13.1 of the Lease shall be modified by deleting therefrom the phrase "Initial Term or the then current Option".

- (k) Section 14.1 of the Lease shall be modified as follows:

- a. The phrase "Tenant's ROFO Option set forth in Section 14.5 below", appearing at the end of the first sentence of Section 14.1, shall be deleted, and the phrase "Tenant's Purchase Option set forth in Section 14.2 below" shall be substituted therefor.
- b. The phrase ", without first offering the Fee Estate, the Premises or its interest under the Lease, as the case may be, to Tenant in accordance with the ROFO Option", appearing at the end of the third sentence of Section 14.1, shall be deleted, and the phrase "subject to Tenant's Purchase Option set forth in Section 14.2 below" shall be substituted therefor.

- (l) Section 14.2 of the Lease shall be deleted in its entirety, and the following substituted therefor:

14.2 Tenant's Purchase Option. Tenant shall have an option to purchase all of Landlord's right, title and interest in and to the Fee Estate and the Premises (the "Purchase Option"), *provided* that (i) this Lease is in full force and effect, and (ii) no Tenant Default exists: (a) on the date Tenant gives Landlord written notice (the "Purchase Notice") of Tenant's election to exercise the Purchase Option or (b) at any time after Tenant delivers the Purchase Notice and prior to the closing of the Purchase Option. The Purchase Notice shall set forth the date occurring during the Term of the Lease (the "Closing Date") upon which Tenant shall close the transactions required to consummate the Purchase Option. Tenant shall deliver the Purchase Notice to Landlord no later than sixty (60) days prior to the Closing Date. The Closing Date shall not occur after the Termination Date. If Tenant exercises the Purchase Option, the following terms and conditions shall apply:

(m) Section 14.2.1 of the Lease shall be deleted, and the following substituted therefor:

14.2.1 Purchase Price. The purchase price for Landlord's right, title and interest in and to the Fee Estate and the Premises shall be \$7,600,000 (the "Option Purchase Price"), and shall be delivered to Landlord in immediately available funds on the Closing Date, TIME BEING OF THE ESSENCE for this purpose.

(n) The phrase "deed of special warranty" appearing at the end of the first sentence and in the third sentence of Section 14.2.2 of the Lease shall be deleted, and replaced by the phrase "quitclaim deed".

(o) The phrase "special warranty" appearing in Section 14.2.4 shall be deleted, and replaced by the word "quitclaim". In addition, the following shall be inserted at the end of Section 14.2.4:

Notwithstanding the foregoing, the Premises shall be conveyed free and clear of liens and encumbrances, except (i) any liens and encumbrances affecting the Premises as of the Commencement Date, and (ii) liens and encumbrances affecting the Premises which have been consented to by Tenant or which are the result of Tenant's conduct (such liens and encumbrances, other than those described by clauses (i) and (ii) of this paragraph, are referred to herein as the "Liens"). In the event Landlord cannot procure the removal of any involuntary Liens on or before the date of the closing of the Purchase Option, Landlord shall have the right (but not the obligation) to attempt to procure the removal of such Liens for a period of up to sixty (60) days. If Landlord elects to exercise such right, then: (a) the date for the closing of the Purchase Option shall be extended to a date selected by Landlord during such 60-day period on not less than five (5) Business Days' notice to Tenant and, if it would otherwise occur, the Expiration Date shall be extended accordingly as well; (b) if the closing date is extended for a period of more than twenty (20) days, Fixed Rent otherwise payable for the period commencing on the twenty-first day of the extension period and ending on the closing date shall be reduced by fifty percent (50%); and (c) Landlord shall reimburse Tenant for Tenant's reasonable out-of-pocket costs (including counsel fees and any other expense paid by Tenant other than compensation to its own personnel) resulting from Landlord's extension of the date for closing the Purchase Option.

)p) The following sentence shall be inserted at the end of Section 14.2.5 of the Lease:

Tenant's failure to close the purchase of the Landlord's right, title and interest in and to the Fee Estate and the Premises on the Closing Date shall result in the automatic termination of the Purchase Option as of 11:59 p.m. on the Closing Date, without the necessity of notice thereof from Landlord or any other action by Landlord. In such event, this Lease shall remain in full force and effect (other than with respect to the Purchase Option, which shall have been terminated), and Landlord shall be entitled to exercise any and all rights and remedies under the Lease, including without limitation the rights and remedies in consequence of a Tenant Default set forth in Section 17, but Tenant's failure to perform the Purchase Option shall not be a Tenant Default. Within sixty (60) days after termination of the Purchase Option, Landlord may send notice to Tenant consisting of an invoice for Landlord's reasonable out-of-pocket costs (including counsel fees and any other expense paid by Landlord other than compensation to its own personnel) resulting from Tenant's exercise and subsequent failure to close the Purchase Option, which invoice shall be deemed Rent under this Lease and shall be payable within ten (10) Business Days after its receipt by Tenant.

(q) The second sentence of Section 14.3 shall be deleted in its entirety, and the following substituted therefore:

Provided that (i) Tenant receives an SNDA from any future Fee Mortgagee, in form and substance reasonably satisfactory to Tenant, and (ii) any such future Fee Mortgagee agrees that, in connection with Tenant's exercise of the Purchase Option, it will release the lien of its Fee Mortgage upon receipt of the Option Purchase Price (or such lesser amount as is required at the time of such exercise to pay such Fee Mortgage in full), this Lease will be subject and subordinate to the lien of such Fee Mortgage.

(r) Clause (c) of the sixth sentence of Section 14.3 of the Lease shall be modified by the deletion of the phrase "Renewal Notice and".

(s) Section 14.5 of the Lease shall be deleted in its entirety, and the words "Intentionally Omitted" shall be substituted therefor.

(t) Section 17.2.9 of the Lease shall be deleted in its entirety, and the following substituted therefor:

17.2.9. Liquidated Damages. At any time after any such termination or repossession, regardless of whether Landlord has collected any current damages, Landlord shall be entitled to recover from Tenant and Tenant shall pay to Landlord, on demand, as liquidated final damages in lieu of all accrued, unpaid damages and all

current damages accruing beyond the date of the demand, an amount equal to all Fixed Rent and Additional Rent due or to become due for the lesser of (i) the balance of the Term of this Lease, or (ii) the twelve (12) month period commencing upon the date upon which such termination or repossession occurs.

(u) Tenant's address for notice appearing in Section 20 of the Lease shall be deleted, and the following substituted therefor:

Tenant: Quebecor World Mid-South Press Corporation
[INSERT UPDATED NOTICE ADDRESS]

With a copy to: Quebecor World (USA) Inc.
[INSERT UPDATED NOTICE ADDRESS]

And a copy to: Arnold & Porter LLP
399 Park Avenue
New York, NY 10022-4690
Attention: Michael J. Canning, Esq.

And a copy to: Nutter McClennen & Fish LLP
World Trade Center West
155 Seaport Boulevard
Boston, MA 02210
Attention: Marianne Ajemian, Esq.

(v) Exhibit C to the Lease shall be deleted in its entirety.

5. Bankruptcy Case. Tenant and LLC are entering into this First Amendment to Lease pursuant to the terms of that certain Stipulation of Settlement (Nashville, Tennessee and Taunton, Massachusetts Leases) dated as of June 9, 2008, filed in the Bankruptcy Case and approved by final order of the Bankruptcy Court (the "Stipulation"). The provisions of the Stipulation are incorporated herein by this reference.

6. Assignment of Lease. Tenant agrees to recognize LLC as landlord under the Lease, and agrees further that Eagle Drive Trust shall be released from all obligations and liabilities arising under the Lease arising subsequent to the date of the Lease Assignment.

7. Continuing Effect. As modified by this First Amendment to Lease, the Lease shall remain in full force and effect.

Executed under seal as of the date written above.

LANDLORD

EAGLE DRIVE LLC

By: _____
Name: _____
Title: _____

TENANT

QUEBECOR WORLD PRINTING CORPORATION

By: _____
Name: _____
Title: _____