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PRIVATE

QUEBECOR WORLD (USA) INC.
291 State Street
North Haven, CT 06473
c/o Ms. Louise Desjardins
Senior Vice President, Taxation
QUEBECOR WORLD INC.

May 21, 2008

Dear Louise:

KPMG LLP ("KPMG") is pleased Quebecor World (USA) Inc., its U.S. parent, and U.S. subsidiaries (collectively, "Quebecor") has engaged KPMG to provide U.S. tax consulting services to Quebecor with respect to various U.S. tax projects and restructuring initiatives. In order to clarify and confirm the terms and conditions of the tax advice and services KPMG renders to each of its clients, KPMG's firm-wide professional standards oblige it to obtain an engagement letter that defines the scope and related financial terms of each engagement, and to confirm this understanding with its clients each year.

Scope

KPMG will assist Quebecor in its U.S. tax projects and restructuring initiatives. As part of this assistance, KPMG will work with Quebecor to develop an appropriate strategy for best handling and move forward those U.S. tax projects and restructuring initiatives in the most efficient and timely manner as possible.

To be of greatest assistance to Quebecor, KPMG should be advised in advance of any significant change to those U.S. tax projects and restructuring initiatives. If such matters exceed the scope of this engagement letter, separate engagement letters will be issued to confirm the scope and related terms of any additional engagements.

KPMG does not anticipate that the written tax advice provided under this engagement letter will be a Covered Opinion as defined in §10.35 of Circular 230 (Covered Opinion). Therefore, all the written tax advice provided under this engagement letter will contain the following legend:



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ANY TAX ADVICE IN THIS COMMUNICATION IS NOT INTENDED OR WRITTEN BY KPMG TO BE USED, AND CANNOT BE USED, BY A CLIENT OR ANY OTHER PERSON OR ENTITY FOR THE PURPOSE OF (i) AVOIDING PENALTIES THAT MAY BE IMPOSED ON ANY TAXPAYER OR (ii) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY MATTERS ADDRESSED HEREIN.

However, if KPMG's services rise to the level of a Covered Opinion, a separate engagement letter will be issued for the issuance of a Covered Opinion.

Fees

KPMG's fees for this engagement will be based on the actual time incurred to complete the project at the discounted hourly rates for the individuals involved in providing the services summarized in the table below.

<i>Professional</i>	<i>Discounted Hourly Rate</i>
<i>Partner/Director</i>	<i>\$520</i>
<i>Senior Principal</i>	<i>\$470</i>
<i>Senior Manager</i>	<i>\$395</i>
<i>Manager</i>	<i>\$213</i>
<i>Tax Associate</i>	<i>\$162</i>

In addition, KPMG will bill Quebecor for its out-of-pocket expenses (e.g., travel, lodging, meals, etc.).

KPMG's fees are exclusive of GST and QST. Accordingly, the appropriate amounts of tax will be computed and shown separately on our invoices, together with KPMG's GST and QST, so that Quebecor will have the information required to claim an input tax credit, if applicable.

KPMG acknowledges that the Bankruptcy Court must approve its fees in order to be compensated. In that regard, KPMG 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 Bankruptcy Rules, and any order of the Bankruptcy Court establishing procedures for monthly compensation and reimbursement of expenses for professionals. KPMG will submit time records in a summary format that 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 Quebecor (unless directed by the Bankruptcy Court to provide other information).



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KPMG will endeavor to notify Quebecor if it encounters any circumstances that warrant additional time or expense. If such matters exceed the scope of this engagement letter, separate engagement letters will be issued to confirm the scope and related terms of any additional engagements.

Termination

Either of Quebecor or KPMG may terminate this Engagement Letter at any time by giving written notice to the other party not less than thirty (30) calendar days before the effective date of termination. In addition, the terminating party shall provide the Court, the Office of the United States (the "U.S. Trustee"), the Creditors' Committee and the Fee Review Committee (if any) with ten (10) business days' notice of termination. The provisions of the Engagement Letter relating to indemnification, 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 of reorganization, liquidation of the Debtors' assets under chapter 11 or 7 of the Bankruptcy Code, or otherwise.

The attached *Terms and Conditions for Advisory and Tax Services (Quebec)* are incorporated into, and form an integral part of, this engagement letter.

If the services outlined are in accordance with Quebecor's requirements and if the above terms are acceptable to Quebecor, please sign the enclosed copy of this letter and return it to KPMG. If you have any questions, please feel free to give us a call.

Yours very truly,

James McEvoy
Associate Partner, US Tax Services

Enclosure

CC: Marc Desrosiers, KPMG LLP
Nathalie Bernier, KPMG LLP

The services and terms set out are as agreed:

QUEBECOR WORLD (USA) INC.

Authorized signature

Date



TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES (QUÉBEC)

1. TERMS AND CONDITIONS.

a. The Terms and Conditions are an integral part of the accompanying Proposal or Engagement Letter from KPMG that identifies the engagement to which they relate.

b. In the event of conflict between the Proposal or Engagement Letter and the Terms and Conditions, the Terms and Conditions shall prevail unless specific reference to a provision is made in the Proposal or Engagement Letter. Other capitalized words in the Terms and Conditions shall have the meanings given to them in the Proposal or Engagement Letter.

2. SERVICES.

KPMG will use reasonable efforts to complete within any agreed-upon time-frame the performance of the services. It is understood and agreed that KPMG's services may include advice and recommendations; but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. KPMG will not perform management functions or make management decisions for Client. Nothing in the Terms and Conditions shall be construed as precluding or limiting in any way the right of KPMG to provide services of any kind or nature whatsoever to any person or entity as KPMG in its sole discretion deems appropriate.

3. CLIENT RESPONSIBILITIES.

a. Client agrees to cooperate with KPMG in the performance of the services under the Engagement Letter and shall provide or arrange to provide KPMG with timely access to and use of the personnel, facilities, equipment, data and information to the extent necessary for KPMG to perform the services under the Engagement Letter. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to KPMG for purposes of the performance by KPMG of its services hereunder. The Engagement Letter or Proposal may set forth additional responsibilities of Client in connection with the engagement. Client acknowledges that Client's failure to perform these obligations could adversely impact KPMG's ability to perform its services.

Client agrees that Client, and not KPMG, shall perform the following functions: (i) make all management decisions and perform all management functions; (ii) designate an individual who possesses suitable skill, knowledge and experience, preferably within senior management, to oversee the performance of the services under the Engagement Letter, and to evaluate the adequacy and results of such services; (iii) accept responsibility for the results of such services; and (iv) establish and maintain internal controls over the processes with which such services are concerned, including, without limitation, monitoring ongoing activities.

c. Client acknowledges and agrees that KPMG will, in performing the services, base its conclusions on the facts and assumptions that Client furnishes and that KPMG may use data, material, and other information furnished by or at the request or direction of Client without any independent investigation or verification and that KPMG shall be entitled to rely upon the accuracy and completeness of such data, material and other information. Inaccuracy or incompleteness of such data, material and other information furnished to KPMG could have a material effect on KPMG's conclusions.

d. Client acknowledges that information made available by it, or by the others on Client's behalf, or otherwise known to partners or staff of KPMG who are not engaged in the provision of the services shall not be deemed to have been made available to the individuals within KPMG who are engaged in the provision of the services hereunder. Client undertakes that, if anything occurs after information is provided by Client to KPMG to render such information untrue, unfair or misleading, Client shall promptly notify KPMG.

4. REPORTING.

a. During the performance of the services, KPMG may supply oral, draft or interim advice, reports or presentations but in such circumstances KPMG's written advice or final written report shall take precedence. No reliance should be placed by Client on any oral, draft or interim advice, reports or presentations. Where Client wishes to rely on oral advice or oral presentation, Client shall inform KPMG and KPMG will provide documentary confirmation of the advice concerned.

b. Subsequent to the completion of the engagement, KPMG will not update its advice, recommendations or work product for changes or modification to the law and regulations, or to the judicial and administrative interpretations thereof, or for subsequent events or transactions, unless Client separately engages KPMG to do so in writing after such changes or modifications, interpretations, events or transactions.

5. WORKING PAPERS AND USE OF REPORTS.

KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement. KPMG also retains all rights (including copyright) in all reports, written advice and other working papers and materials developed by KPMG during the engagement. Unless contemplated by the engagement letter, all reports and written advice are intended solely for Client's internal use and, where applicable, government taxation authorities, and may not be edited, distributed, published, made available or relied upon by any other person without KPMG's express written permission. If such permission is given, Client shall not publish any extract or excerpt of KPMG's written advice or report or refer to KPMG without providing the entire advice or report at the same time. Except as described in this section, Client will treat in confidence any KPMG methodologies, know-how, knowledge, application or software identified by KPMG as confidential information of KPMG, and will not use or disclose such confidential information of KPMG to others. This restriction shall not apply to any information that: (i) is required by law to be disclosed; (ii) is in the public domain, or hereafter enters the public domain; (iii) that is or hereafter becomes known to Client without breach of any confidentiality obligation, or (iv) that is independently developed by Client. Subject to the restrictions of Section 6, KPMG is entitled to use or develop the knowledge, experience and skills of general application gained through performing the engagement.

6. CONFIDENTIALITY.

a. KPMG will treat as such all confidential proprietary information obtained from Client in the course of the engagement and, except as described in this section, will not use such information except in connection with the performance of its services hereunder. This restriction shall not apply to any confidential information that: (i) is required by law or professional standards to be disclosed; (ii) that is in or hereafter enters the public domain; (iii) that is or hereafter becomes known to KPMG without breach of any confidentiality obligation; or (iv) that is independently developed by KPMG.

b. KPMG will be entitled to include a description of the services in marketing and research materials and disclose such information to third parties, provided that all such information will be rendered anonymous and not subject to association with Client. KPMG shall be entitled to share all confidential information with all other member firms of KPMG International performing services hereunder. KPMG may also use confidential information to offer services that may be of interest to Client. KPMG may retain and may disclose to other member firms of KPMG International, subject to terms of this section, copies of Client's confidential information required for compliance with applicable professional standards or internal policies or quality reviews.

c. Professional standards require KPMG personnel performing any audit or assurance services for clients to discuss or have available to them all information and materials that may affect the audit or assurance engagement. Client authorizes, if Client is or becomes an assurance Client, KPMG personnel performing services under the engagement to make available to the KPMG assurance engagement team and other KPMG personnel, the findings, observations and recommendations from the engagement and agrees that KPMG may use all such findings, observations and recommendations in KPMG's assurance engagement.

7. PERSONAL INFORMATION.

Client acknowledges that it is responsible for obtaining all consents required by law in order for KPMG to receive, use and retain any personal information required by KPMG in connection with the engagement. Client consents to the receipt, use and retention by KPMG of any personal information provided to KPMG. All personal information will be treated as confidential by KPMG.



TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES (QUÉBEC)

8. TAXES/BILLING/EXPENSES/FEES.

a. All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by Client without deduction from the fees and charges hereunder.

b. Bills, including, without limitation, a charge on account of all reasonable expenses, including travel, meals, accommodations, long distance, telecommunications, photocopying, delivery, postage, clerical assistance and database research will be rendered on a regular basis as the engagement progresses. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

c. Without limiting its rights or remedies, KPMG shall have the right to halt or terminate entirely its services until payment is received on past due invoices.

d. In the event that the engagement is terminated and Client proceeds to complete the transaction or financing within 18 months from the termination date, then the full amount of any Completion Fee shall be payable on closing of the transaction or the completion of financing, regardless of whether KPMG provided further service.

9. INDEMNIFICATION.

a. In the event of a claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify KPMG from all such claims, liabilities, damages, costs and expenses, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the fault or negligence of KPMG.

b. In any action, claim, loss or damages arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

c. For purposes of this section, the term KPMG shall include its associated and affiliated entities and their respective partners, directors, officers and employees. The provisions of this section shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

10. LEGAL PROCEEDINGS.

a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's advice or report or any related document.

b. If KPMG is required by law, subpoena or other legal process or requested by Client to produce documents or personnel as witnesses arising out of the engagement and KPMG is not a party to such proceedings, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, incurred in responding to such requests.

c. When requested or required by law, subpoena or other legal process or otherwise, that KPMG provide information and documents relating to Client's affairs, KPMG will use all reasonable efforts to refuse to provide information and documents over which Client asserts privilege or over which Client does not waive professional secrecy or which has been acquired or produced in the context of the engagement of legal counsel by or on behalf of Client, except where providing such copies, access or information is required by law, by a provincial Institute/Ordre pursuant to its statutory authority, or a public oversight board in respect of reporting issuers (both in Canada and abroad) pursuant to its contractual or statutory authority. Where Client has provided any document to KPMG in respect of which Client wishes to assert legal privilege, Client shall clearly mark such document "privileged" and shall otherwise clearly advise KPMG that Client wishes to maintain legal privilege in respect thereof.

11. TERMINATION.

Unless terminated sooner in accordance with its terms, the engagement shall terminate on the completion of KPMG's services hereunder, which completion shall be evidenced by the delivery by KPMG to Client of the final invoice in respect of the services performed hereunder. Should Client fail to fulfill its obligations set out herein or in the Engagement Letter and in the absence of rectification by Client within 10 days, KPMG may, upon written notice, terminate its performance and will not be responsible for any loss, cost or expense resulting. The engagement may be terminated

by either party at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination. Upon early termination of the engagement, Client shall be responsible for the payment to KPMG for KPMG's time and expenses incurred up to the termination date, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner.

12. E-MAIL COMMUNICATION.

Client recognizes and accepts the risks associated with communicating by Internet e-mail, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless Client requests in writing that KPMG does not communicate by Internet e-mail, Client assumes all responsibility or liability in respect of risk associated with its use.

13. POTENTIAL CONFLICTS OF INTEREST.

Except as otherwise set out herein, Client should be aware that it is not uncommon for KPMG to be auditors and/or advisors of more than one of the parties involved in a transaction. In such situations, KPMG takes appropriate measures to ensure that strict confidentiality is maintained in all respects. If these circumstances are identified, KPMG will advise Client of that fact, subject to confidentiality requirements, and will consider with Client what further measures, if any, are appropriate. Client further acknowledges that at some point KPMG may act contrary to Client's interest on unrelated matters.

14. FORCE MAJEURE.

Neither Client nor KPMG shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

15. INDEPENDENT CONTRACTOR.

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

16. SURVIVAL.

Sections 1, 5 to 13, 16, 17, 21 to 23 hereof shall survive the expiration or termination of the engagement.

17. SUCCESSORS AND ASSIGNS.

The Terms and Conditions and the attached Proposal or Engagement Letter shall be binding upon the parties hereto and their respective associated and affiliated entities and their respective partners, directors, officers and employees and successors and permitted assigns. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Client. In addition, KPMG may engage independent contractors and member firms of KPMG International to assist KPMG in performing the services hereunder.

18. SEVERABILITY.

The provisions of the Terms and Conditions and the attached Proposal or Engagement Letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of the Terms and Conditions and the attached Proposal or Engagement Letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

19. ENTIRE AGREEMENT.

The Terms and Conditions, and the attached Proposal or Engagement Letter, including, without limitation, Exhibits, constitute the entire agreement between KPMG and Client with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.



TERMS AND CONDITIONS FOR ADVISORY AND TAX SERVICES (QUÉBEC)

20. GOVERNING LAW.

The Terms and Conditions and the attached Proposal or Engagement Letter shall be subject to and governed by the laws of the province of Quebec (without regard to Quebec's rules on conflicts of law) and all disputes arising hereunder or related thereto shall be subject to the exclusive jurisdiction of the courts of Quebec.

21. LANGUAGE.

Client has expressly required that the Terms and Conditions and the Proposal or Engagement Letter and all documents and notices relating hereto be drafted in English.

Le client a expressément exigé que les présentes conditions et l'offre de service ou la lettre de mission, de même que tous les documents et avis connexes, soient rédigées en anglais.

22. PUBLICITY.

Upon the closing of a transaction, KPMG will have the right (but shall not be obliged), at its expense, to publicize its association with the transaction by way of public announcement in "tombstone" or similar format, subject to prior review of the wording for any such announcement with Client.

23. KPMG INTERNATIONAL MEMBER FIRMS.

In the case of multi-firm engagements, all member firms of KPMG International performing services hereunder shall be entitled to the benefits of the Terms and Conditions. Client agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party and not against any other KPMG International member firms.

24. SARBANES-OXLEY ACT.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's assessment of internal control over financial reporting or Client's evaluation of disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the *Sarbanes-Oxley Act of 2002* (the "Act"). The engagement shall not be construed to support Client's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the *Securities Exchange Act of 1934* to contain an internal control report from management.

25. MULTILATERAL INSTRUMENT 52-109.

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's evaluation of disclosure controls and procedures, or its compliance with its CEO/CFO certification requirements under *Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings*, including those related to the design of internal control over financial reporting.

26. SPECIFIC ACCOUNTING ADVICE.

Except as set forth in the Engagement Letter, the engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and facts and circumstances of Client. Such services, if requested, would be provided pursuant to a separate engagement.

27. TAX SERVICES.

a. If tax work is specifically requested by Client, KPMG will perform the procedures in accordance with this section. KPMG will base its findings exclusively on the facts and assumptions provided to KPMG by Client and Client's personnel and advisors. KPMG will consider the applicable provisions of the relevant taxing statutes, the regulations thereunder, applicable tax treaties and judicial and administrative interpretations thereof. KPMG will also take into account all specific proposals to amend such statutes, regulations and treaties publicly announced prior to the date of KPMG's reports, based on the assumption that these amendments will be enacted substantially as proposed. These authorities are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of KPMG's findings and may result in incremental taxes, interest or penalties. KPMG's findings will not otherwise take into account

or anticipate any changes in law or practice, by way of judicial, governmental or legislative action or interpretation. Unless Client specifically requests otherwise, KPMG will not update tax work to take any such changes into account.

b. KPMG will use professional judgment in providing advice, and will, unless Client instructs otherwise, take the position most favourable to Client whenever reasonable. All returns are subject to examination by tax authorities, and KPMG's advice may be audited and challenged by a tax authority. Client understands that KPMG's conclusions are not binding on tax authorities or the courts and should not be construed as a representation, warranty or guarantee that the tax authorities or courts will agree with KPMG's conclusion.

c. Client should consult with and/or engage legal counsel for the purpose of advising on legal aspects of matters on which KPMG provides its tax advice and drafting any legal documents and/or agreements that may be required. To the extent legal counsel or other professional service providers are required, Client is exclusively responsible for engaging and paying such service providers.

d. Client is also responsible for ensuring that KPMG's advice is implemented strictly in accordance with KPMG's recommendations.

e. Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by the CRA or other tax or revenue authorities.

28. LLP.

KPMG LLP is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and is registered extra-provincially in Quebec. KPMG is a partnership, but its partners have a degree of limited liability. A partner is not personally liable for any debts, obligations or liabilities of the LLP that arise from a negligent act or omission by another partner or any person under that other partner's direct supervision or control. The legislation relating to limited liability partnerships does not, however, reduce or limit the liability of the firm. The firm's insurance exceeds the mandatory professional indemnity insurance requirements established by the various Institutes/Ordre of Chartered Accountants. Subject to the other provisions hereof, all partners of the LLP remain personally liable for their own actions and/or actions of those they directly supervise or control.



U.S. TAX SERVICES ADDENDUM TO TERMS AND CONDITIONS (QUÉBEC)

If U.S. Tax Services are required by Client, this U.S. Tax Services Addendum to the Terms and Conditions is an integral part of the accompanying Terms and Conditions for Advisory and Tax Services

a. Notwithstanding anything to the contrary set forth herein, no provision in the Engagement Letter or these Standard Terms and Conditions is or is intended to be construed as a condition of confidentiality within the meaning of Internal Revenue Code (IRC) sections 6011, 6111, 6112 or the regulations thereunder, or under any similar or analogous provisions of the laws of a state or other jurisdiction. In particular, Client (and each employee, representative, or other agent of Client) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction within the scope of this engagement and all materials of any kind (including opinions and other tax analyses) that are provided to Client relating to such tax treatment and tax structure. Client also agrees to use commercially reasonable efforts to inform KPMG of any conditions of confidentiality imposed by third party advisors with respect to any transaction on which KPMG advice is requested. Such notification must occur prior to KPMG providing any advice with respect to the transaction.

b. Treasury regulations under IRC section 6011 require taxpayers to disclose to the IRS their participation in reportable transactions and IRC section 6707A imposes strict penalties for noncompliance. Client agrees to use commercially reasonable efforts to inform KPMG if Client is required to disclose any transaction covered by the Engagement Letter as a reportable transaction to the IRS or to any state or other jurisdiction adopting similar or analogous provisions. IRC section 6111 requires a material advisor with respect to a reportable transaction to disclose information on the transaction to the IRS by a prescribed date, and IRC section 6112 requires the material advisor to maintain, and make available to the IRS upon request, a list of persons and other information with respect to the transaction. KPMG will use commercially reasonable efforts to inform Client if KPMG provides Client's identifying information to the IRS under IRC section 6111 or 6112, or to any state or other jurisdiction adopting similar or analogous provisions.

For engagements where services will be provided by a KPMG member firm with offices located in California, Client acknowledges that certain of KPMG's personnel who may be considered "owners" under the California Accountancy Act and implementing regulations (California Business and Professions Code section 5079(a); 16 Cal. Code Regs. sections 51 and 51.1) and who may provide services in connection with this engagement, may not be licensed as certified public accountants under the laws of any of the various states.

d. Client acknowledges that in connection with any U.S. tax compliance service provided by KPMG under the Engagement Letter, KPMG may utilize the services of affiliates and third party service providers outside of North America to organize and input data, operate the software used to generate tax returns for Client or its personnel and perform other related tasks. Client hereby consents to KPMG's use of such affiliates and third party service providers and their use of tax return information, received from Client or its personnel for the purpose of preparing, assisting in preparing, or obtaining or providing services in connection with preparing, any tax return required under the Engagement Letter.

This section 1 shall survive the expiry or term of the engagement.



SEC REGISTERED AUDIT CLIENTS ADDENDUM TO TERMS AND CONDITIONS (QUÉBEC)

This SEC Registered Audit Clients Addendum to the Terms and Conditions is an integral part of the accompanying Terms and Conditions for Advisory and Tax Services.

Section 5 is superseded and replaced with the following:

5. WORKING PAPERS AND USE OF REPORTS.

KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement. KPMG also retains all rights (including copyright) in all reports, written advice and other working papers and materials developed by KPMG during the engagement. Client acknowledges and agrees that any advice, recommendations, information or work product provided to Client by KPMG in connection with this engagement is for Client's sole use only and, where applicable, government taxation authorities. Client agrees that if Client makes such advice, recommendations, information or work product available to any third party, Client will notify such third party, in writing, that KPMG's advice, recommendations, information and work product is for Client's sole benefit only based on the specific facts and circumstances and the scope of KPMG's engagement with Client and is not to be relied upon by any other person. In the event of a claim by any third party relating to KPMG's services under the engagement that arises out of a breach by Client or any of Client's personnel of this paragraph, Client agrees to indemnify and hold harmless KPMG and its personnel from all such claims, liabilities, costs and expenses (including, without limitation, legal fees and disbursements).

This paragraph survives the expiry or term of the engagement.