KPMG

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August 25, 2008

Mrs. Louise Desjardins
Senior Vice-President, Taxation
Quebecor World (USA) Inc.
612 St. Jacques Street
Montreal (Quebec) H3C 4M8

Dear Mrs. Desjardins:

We are pleased you have engaged KPMG LLP ("KPMG") to provide contemporaneous documentation transfer pricing services to Quebecor World (USA) Inc. and its subsidiaries (collectively "QW USA") for fiscal year ended 2007 ("FYE 2007"). This letter confirms the scope and related terms of your engagement of KPMG.

We will provide transfer pricing services with respect to transactions conducted during FYE 2007.[1]

Background

Quebecor World Inc. ("QWI") is a commercial printing company headquartered in Montreal, Canada, with operations, together with its subsidiaries, in North America, Europe, Latin America and Asia. We understand that QW USA uses a third-party insurer located in the U.S. ("USIC") to provide it workman's compensation and property casualty insurance. This third-party insurer cedes a portion of QW USA's premiums to a Swiss reinsurance captive controlled by QWI ("The Captive").

KPMG will not issue an opinion on any federal or state "listed transaction" or any transaction that is substantially similar to a federal or state "listed transaction."

Limited Scope Disclosure and Related Tax Opinion Standards:

Our report will be limited to issues concerning compliance with IRC section 482 for the specified transactions. Additional issues may exist that could affect the Federal tax treatment of the transaction(s) or matter(s) that are the subject of this report, and the report will not consider or provide a conclusion with respect to any additional issues. With respect to any significant tax issues

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[1] This engagement is intended to assist QW USA in gathering certain information for purposes of complying with the transfer pricing documentation requirements of Internal Revenue Code section 6662(e) and the associated regulations. This engagement is not intended to provide assurance that QW USA's transfer prices over the tested period will withstand scrutiny by the Internal Revenue Service or any other tax authority. In the event of a transfer pricing adjustment by the IRS or any other tax authority, KPMG can provide no guarantee that penalties will not be assessed.

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outside the limited scope of this report, the report will not be 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 avoiding any penalties that may be imposed on any taxpayer. The report is also not intended to be used by a client or any other person or entity in promoting, marketing or recommending to any other party any tax related matters herein.

KPMG applies elevated standards in preparing tax opinions. Under these standards, we must be able to determine that each position on which the opinion provides a conclusion is at least "more likely than not" to be upheld (i.e., has a greater than 50 percent likelihood of success if challenged by the IRS). If a return position relates to a transaction with the principal purpose of avoiding or evading tax, we must arrive at a "should" confidence level (i.e., approximately a 70 percent or greater likelihood of success if challenged by the taxing authorities) with respect to the position. In determining whether a position meets the appropriate standard, we will not take into account the possibility that a tax return will not be audited, that an issue will not be raised on audit, or that an issue will be settled. We will inform you as soon as possible if, during our analysis, we determine circumstances exist that prevent us from issuing the tax opinion under these standards.

Project Scope

KPMG will provide a 2007 transfer pricing documentation update study to satisfy compliance with Section 482 of the Internal Revenue Code with respect to determining whether the transfer prices of the transactions between QW USA, the USIC and The Captive meet the arm's-length standard.

KPMG will update the actuarial projections utilized in the 2006 transfer pricing planning study ("Prior Study") and the arm's-length parameters for the related party transactions.

Steps in the Process

In performing the 2007 transfer pricing documentation study, KPMG will undertake the following steps to ensure efficient delivery of the transfer price analysis, actuarial analysis, and final report.

Step One: Information Gathering

The first step in preparing the 2007 documentation study will be to gather updated information related to the intercompany transaction included in the Prior Study. Should results from the Prior Study suggest changes in transfer pricing, we will incorporate such changes here. In general, KPMG will rely on the facts gathered in the Prior Study as the primary basis for writing the report. We will also conduct interviews where appropriate to supplement and update our understanding of the facts.

Step Two: Functional, Economic and Actuarial Analyses

During this phase, KPMG will review the additional information provided and update our analyses accordingly, including actuarial projections. We anticipate adopting the best methods used in the Prior Study for the identified transactions.

Step Three: Documentation

We will prepare a transfer pricing documentation study that will include detailed descriptions of the businesses, functional descriptions of the intercompany transaction and economic analysis of the identified intercompany transaction during the taxable year 2007. At the end of the drafting process, KPMG will incorporate QW USA's comments and issue a final report.

Requirements from QW USA

To complete this engagement we will rely on the availability of information from QW USA and the support of its representatives. QW USA's assistance will be required, but not limited to, the following specific activities:

- Coordinate and participate in interviews, where applicable;
- Provide informational support;
- Supply support documentation for the actuarial analysis;
- Review functions and risks assertions; and
- Provide input on draft report.

Project Timing

We are prepared to commence work on this engagement immediately upon receiving an original signed copy of this letter from you authorizing us to proceed and approval of this engagement letter by the Bankruptcy Court.

We understand that Québecor World (USA) Inc. expects to file their corporate tax return on or immediately before September 15, 2008. As this document is intended to be contemporaneous with the filing of the Quebecor World (USA) Inc. U.S. tax return, KPMG will make every effort to deliver a document in time to meet the September 15 deadline. Please notify us immediately if there is any change to your scheduled filing date.

Engagement Team

Bob Clair, a Managing Director in the New York office will have overall responsibility for the engagement. Juliane Keppler, a Senior Manager in the New York office will be responsible for the day-to-day conduct of the project and will be assisted by analysts in the New York office.

Coordination with KPMG International Member Firms

Our services covered by this engagement letter may also necessitate the assistance of a member firm of KPMG International. To the extent that our services under this engagement letter require such assistance, the services will be provided under the direction of KPMG LLP, the U.S. member firm of KPMG International, and will include the participation of one or more other member firms of KPMG International ("KPMG member firms"), specifically KPMG Canada. KPMG LLP is a separate legal entity from other member firms of KPMG International. Advice relative to tax matters outside the United States will be based on tax advice provided by the KPMG member firm in the particular country and on the relevant tax authorities in that country. In rendering such advice, we may also consider U.S. tax treaties, their technical explanations, and judicial and administrative interpretations thereof.

Professional Fees and Invoice Scheduling

Our fee for this engagement and any KPMG member firm, including KPMG LLP (Canada), will be the lesser of actual time incurred to complete the project at 80 percent of local office standard hourly rates for the individuals involved in providing the services or $95,000. See Table 1 for KPMG standard and discounted hourly rates and Table 2 for KPMG (Canada) standard and discounted hourly rates. In addition, we will bill you for our and any KPMG member firm's out-of-pocket expenses (e.g., travel, lodging, meals, etc.), and third party database fees. We will not charge for overhead or administrative fees. Our fees for services provided herein will be billed as incurred.

Table 1: KPMG Hourly Rates (USD)

Title	Standard Hourly Rate	Discounted Rate
Tax Managing Director	$825	$660
Senior Manager	$750	$600
Manager	$600	$480
Senior Associate	$400	$320
Associate	$300	$240

Table 2: KPMG Canada Hourly Rates (CDN)

Title	Standard Hourly Rate	Discounted Rate
Practice Leader	$640	$512
Senior Manager	$525 – $550	$420 - $440
Manager	$345	$276
Senior Associate	$225 - $240	$180 - $192

Our ability to meet the proposed schedule and fee estimate depends on our receiving timely factual and financial information from QW USA as requested. Circumstances encountered during the performance of these services that warrant additional time or expense could cause us to be unable to deliver them within the above estimates. We will endeavor to notify you of any such circumstances as they are assessed. If such matters exceed the scope of this engagement letter, we will issue separate engagement letters to confirm the scope and related terms of any additional engagements.

This fee quote is valid for 60 days from the date of this letter. If QW USA wishes to engage KPMG to perform this study later than 60 days from the date of this letter, we would need to issue a revised letter and fee quote to QW USA for this work.

Our fees will be billed on a monthly basis with payment due upon presentation of the related invoice, subject to the terms set forth below.

This arrangement will be valid for one year from the date of this engagement letter.

For so long as QW USA is under the jurisdiction of the U.S. Bankruptcy Court, KPMG acknowledges that the U.S.Bankruptcy Court must approve its fees in order to be compensated. In that regard, KPMG intends to file monthly 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 which shall set forth a description of the services rendered by each restructuring professional and the amount of time spent on each date, in tenths of an hour increments, by each such individual in rendering services on behalf of the Debtors (unless directed by the Bankruptcy Court to provide other information). KPMG acknowledges that any payments shall be subject to the approval of the Bankruptcy Court.

Terms and Conditions

The attached Standard Terms and Conditions are made a part of this Engagement Letter, except as modified below:

In general

(1) The Dispute Resolution procedures set forth in Section 14 of the Standard Terms and Conditions are modified by providing that any dispute or claim also may be resolved before the United States Bankruptcy Court for the Southern District of New York, and (2) any terms and conditions relating to indemnification are modified and amended to the extent that 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.

Specific Language Changes

1. A new subparagraph (d) is added to Section 1 (Services; Client Responsibilities) to read:

"(d) The above shall not be construed as limiting in any matter whatsoever the responsibility of KPMG with respect to the provision of the Services."

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2. Add the following words at the end of Section 2 before the period:

"or affiliates"

3. Section 3 (Termination) shall be amended and restated with the following:

"QW USA may terminate this Engagement Letter at any time by giving written notice to KPMG not less than ten (10) calendar days before the effective date of termination. KPMG may terminate this Engagement Letter for cause by giving written notice to QW USA not less than ten (10) calendar days before the effective date of termination, provided that QW USA shall have five (5) calendar days after receiving such written notice to cure, if possible, the events or circumstances constituting the "cause" and to thereafter notify KPMG of such cure. If KPMG deems the cure to be effective, the termination shall not be effective. 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 five (5) business days' notice of termination. Rights and obligations accrued prior to termination, including those provisions of the Engagement Letter relating to indemnification, infringement, confidentiality, limitation on damages, fees and expenses, will remain operative and in full force and effect regardless of any termination or exploration 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."

4. Section 6 (Limitation on Damages): The first sentence here is amended and restated to read:

""Except for each party's indemnification obligations herein, to the fullest extent permitted by applicable law (including, without limitation, for these purposes, the rules and interpretations of the AICPA and the U.S. Securities and Exchange Commission), and except in the case of damages arising from KPMG's bad faith, self-dealing, breach of fiduciary duty (if any such duty exists), gross negligence or willful misconduct, the total aggregate liability of KPMG to Client (and to any affiliate thereof or any other person or entity for or in respect of which any of the Services are provided) for any and all claims in connection with the performance of the Services pursuant to this Engagement Letter shall be limited to five times the fees actually paid to KPMG pursuant to this Engagement Letter in respect of the Services directly relating to and forming the basis of Client's claim, regardless of whether liability is based on breach of contract, tort, strict liability, breach of warranty, failure of essential purpose or otherwise." The second sentence herein shall be preceded by the words: "Except with respect to KPMG's indemnification obligations set forth in Section 7 below, ...".

5. Inset the words "(where required)" in subparagraph (b) of Section 8 (indemnification), in the last sentence after the words "or work product without adhering to the notice requirements".

6. Add a new subparagraph (e) of Section 11 (Confidentiality), to read:

"The obligation and liability of the parties hereto under this Section 11 shall not be limited by the limitation on damages in Section 6."

7. Insert the following sentence in Section 12 (Assignment; Use of Member Firms), as the last sentence:

"In such a case, KPMG shall be liable to the extent provided in this Agreement, for all acts, omissions, faults, errors, non-compliance with this Agreement or negligence of any such member firm, subject to the limitation on damages in Section 6."

8. Insert the following sentence in subparagraph (e) of Section 17 (Additional Terms for Engagements Involving Tax Services), as the last sentence:

"In all instances though, KPMG shall be liable to the full extent allowed by this Agreement for a breach of any provision hereof by any such affiliates or third party service providers as if they were a party hereto, subject to the limitation on damages in Section 6.

Unless you indicate otherwise, we reserve the right to reference in our marketing literature that you are a client of our Economic and Valuation Services practice.

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Acceptance

Kindly indicate your acceptance of this engagement letter by signing and dating below, and returning an original signed copy to our office. We suggest retaining a copy for your files. Should you have any questions, please call Bob Clair at (212) 872-3438 or Juliane Keppler at (212) 872-5525.

We look forward to providing QW USA with a 2007 Transfer Pricing Documentation Study, and to working with you and your colleagues.

Sincerely yours,

Robert T. Clair

Robert T. Clair
Managing Director, Tax

Enclosures: Standard Terms and Conditions for Advisory and Tax Services

ACCEPTED:

Quebecor World (USA) Inc.

Authorized Signature
MR. JACQUES MALLETTE

EXECUTIVE VICE-PRESIDENT - QW(USA) INC.
Title

August 27, 2008
Date

cc: Jacqueline Friedland - KPMG Toronto
Juliane Kepper - KPMG New York
Steve Bosse - Quebecor World Inc.

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1. **Services; Client Responsibilities.**

(a) 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. References herein to Client shall refer to the addressee of the Proposal or Engagement Letter to which these Standard Terms and Conditions are attached (the "Engagement Letter").

(b) In connection with KPMG's provision of services under the Engagement Letter, 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 such services, 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 monitoring on-going activities.

(c) Subsequent to the completion of this 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.

2. **Tax on Services.** All fees, charges and other amounts payable to KPMG under the Engagement Letter do not include any sales, use, excise, value added or other applicable taxes, tariffs or duties, payment of which shall be Client's sole responsibility, excluding any applicable taxes based on KPMG's net income or taxes arising from the employment or independent contractor relationship between KPMG and its personnel.

3. **Termination.** Either party may terminate the Engagement Letter at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination.

4. **Ownership and Use of Deliverables.**

(a) KPMG has created, acquired, owns or otherwise has rights in, and may, in connection with the performance of services under the Engagement Letter, use, provide, modify, create, acquire or otherwise obtain rights in, concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques, models, templates and software (collectively, the "KPMG Property"). KPMG retains all ownership and use rights in the KPMG Property. Client shall acquire no rights or interest in the KPMG Property, except as expressly provided in the next paragraph. KPMG acknowledges that KPMG Property shall not include any of Client's confidential information or tangible or intangible property, and KPMG shall have no ownership rights in such property.

(b) Except for KPMG Property, and upon full and final payment to KPMG under the Engagement Letter, the tangible items specified as deliverables or work product in the Engagement Letter including any intellectual property rights appurtenant thereto (the "Deliverables") will become the property of Client. If any KPMG Property is contained in any of the Deliverables, KPMG hereby grants Client a royalty-free, paid-up, non-exclusive, perpetual license to use such KPMG Property in connection with Client's use of the Deliverables.

(c) Client acknowledges and agrees that any advice, recommendations, information or work product provided to Client by KPMG in connection with this engagement is for the sole use of Client and may not be relied upon by any third party. Client agrees that if it makes such advice, recommendations, information or work product available to any third party other than as expressly permitted by the Engagement Letter the provisions of Paragraph 8(b) shall apply unless Client provides the written notice to the third party in substantially the form of Appendix A hereto (the "Notice"), which Notice shall be acknowledged in writing by such third party and returned to Client. Upon request, Client shall provide KPMG with a copy of the foregoing Notice and acknowledgement and any notice and acknowledgement sent to Client by such third party as contemplated by the Notice. Notwithstanding the foregoing, (i) in the event of a disclosure made by Client that is required by law, that is made to a regulatory authority having jurisdiction over Client or that is made pursuant to Paragraph 17(a) below, no acknowledgement of the Notice shall be required and (ii) no Notice or acknowledgement shall be required with respect to disclosures expressly authorized by the Engagement Letter.

5. **Warranties.** KPMG's services under the Engagement Letter are subject to and will be performed in accordance with American Institute of Certified Public Accountants ("AICPA") and other professional standards applicable to the services provided by KPMG under the Engagement Letter and in accordance with the terms thereof. KPMG disclaims all other warranties, either express or implied.

6. **Limitation on Damages.** Except for each party's indemnification obligations herein, neither Client nor KPMG shall be liable to the other for any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the services performed under the Engagement Letter for an aggregate amount in excess of the fees paid or owing to KPMG under the Engagement Letter. In no event shall either party be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs).

7. **Infringement.**

(a) KPMG hereby agrees to indemnify, hold harmless and defend Client from and against any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), fines, penalties, taxes or damages (collectively "Liabilities") asserted by a third party against Client to the extent such Liabilities result from the infringement by the Deliverables (including any KPMG Property contained therein) of such third party's patents issued as of the

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date of the Engagement Letter, trade secrets, trademarks or copyrights. The preceding indemnification shall not apply to any infringement arising out of (x) use of the Deliverables other than in accordance with applicable documentation or instructions supplied by KPMG or other than in accordance with Paragraph 4(c); (y) any alteration, modification or revision of the Deliverables not expressly agreed to in writing by KPMG; or (z) the combination of the Deliverables with materials not supplied or approved by KPMG.

(b) In case any of the Deliverables (including any KPMG Property contained therein) or any portion thereof is held, or in KPMG's reasonable opinion is likely to be held, to constitute infringement, KPMG may, within a reasonable time, at its option either: (i) secure for Client the right to continue the use of such infringing item; or (ii) replace, at KPMG's sole expense, such item with a substantially equivalent non-infringing item or modify such item so that it becomes non-infringing. In the event KPMG is, in its reasonable discretion, unable to perform either of options described in (i) or (ii) above, Client shall return the Deliverable to KPMG, and KPMG's sole liability shall be to refund to Client the amount paid to KPMG for such item; provided that the foregoing shall not be construed to limit KPMG's indemnification obligation set forth in Paragraph 7(a) above.

(c) The provisions of this Paragraph 7 state KPMG's entire liability and Client's sole and exclusive remedy with respect to any infringement or claim of infringement.

8. Indemnification.

(a) Each party agrees to indemnify, hold harmless and defend the other from and against any and all Liabilities for physical injury to, or illness or death of, any person regardless of status, and damage to or destruction of any tangible property, which the other party may sustain or incur, to the extent such Liabilities result from the negligence or willful misconduct of the indemnifying party.

(b) In accordance with Paragraph 4(c) Client agrees to indemnify, defend and hold harmless KPMG from and against any and all Liabilities incurred or suffered by or asserted against KPMG in connection with a third party claim to the extent resulting from such party's use or possession of or reliance upon KPMG's advice, recommendations, information or work product as a result of Client's disclosure of such advice, recommendations, information or work product without adhering to the notice requirements of Paragraph 4(c) above.

(c) The party entitled to indemnification (the "Indemnified Party") shall promptly notify the party obligated to provide such indemnification (the "Indemnifying Party") of any claim for which the Indemnified Party seeks indemnification. The Indemnifying Party shall have the right to conduct the defense or settlement of any such claim at the Indemnifying Party's sole expense, and the Indemnified Party shall cooperate with the Indemnifying Party. The party not conducting the defense shall nonetheless have the right to participate in such defense at its own expense. The Indemnified Party shall have the right to approve the settlement of any claim that imposes any liability or obligation other than the payment of money damages.

9. Cooperation; Use of Information.

(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. The Engagement Letter may set forth additional obligations of Client in connection with this engagement. Client acknowledges that Client's failure to perform these obligations could adversely affect KPMG's ability to provide the services under the Engagement Letter.

(b) Client acknowledges and agrees that KPMG will, in performing the services under the Engagement Letter, 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.

10. Independent Contractor. It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is or shall be considered 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.

11. Confidentiality.

(a) "Confidential Information" means all documents, software, reports, data, records, forms and other materials obtained by one party (the "Receiving Party") from the other party (the "Disclosing Party") or at the request or direction of the Disclosing Party in the course of performing the services under the Engagement Letter: (i) that have been marked as confidential; (ii) whose confidential nature has been made known by the Disclosing Party to the Receiving Party; or (iii) that due to their character and nature, a reasonable person under like circumstances would treat as confidential. Notwithstanding the foregoing, Confidential Information does not include information which: (i) is already known to the Receiving Party at the time of disclosure by the Disclosing Party; (ii) is or becomes publicly known through no wrongful act of the Receiving Party; (iii) is independently developed by the Receiving Party without benefit of the Disclosing Party's Confidential Information; (iv) relates to the tax treatment or tax structure of any transaction, (v) the Receiving Party determines is required to be maintained or disclosed by the Receiving Party under sections 6011, 6111 or 6112 of the Internal Revenue Code ("IRC") or the regulations thereunder or under any similar or analogous provisions of the laws of a state or other jurisdiction or (vi) is received by the Receiving Party from a third party without restriction and without a breach of an obligation of confidentiality.

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(b) The Receiving Party will deliver to the Disclosing Party all Confidential Information of the Disclosing Party and all copies thereof when the Disclosing Party requests the same, except for one copy thereof that the Receiving Party may retain for its records. The Receiving Party shall not use or disclose to any person, firm or entity any Confidential Information of the Disclosing Party without the Disclosing Party's express, prior written permission; provided, however, that notwithstanding the foregoing, the Receiving Party may disclose Confidential Information to the extent that it is required to be disclosed pursuant to a statutory or regulatory provision or court order or to fulfill professional obligations and standards.

(c) Each party shall be deemed to have met its nondisclosure obligations under this Paragraph 11 as long as it exercises the same level of care to protect the other's information as it exercises to protect its own confidential information but in no event less than reasonable care, except to the extent that applicable law or professional standards impose a higher requirement.

(d) If the Receiving Party receives a subpoena or other validly issued administrative or judicial demand requiring it to disclose the Disclosing Party's Confidential Information, the Receiving Party shall provide prompt written notice to the Disclosing Party of such demand in order to permit it to seek a protective order. So long as the Receiving Party gives notice as provided herein, the Receiving Party shall be entitled to comply with such demand to the extent permitted by law, subject to any protective order or the like that may have been entered in the matter.

12. **Assignment; Use of Member Firms.** Neither party may assign, transfer or delegate any of its rights or obligations without the prior written consent of the other party, such consent not to be unreasonably withheld. Notwithstanding the foregoing, to the extent any of the services under the Engagement Letter will be performed in or relate to a jurisdiction outside of the United States, Client acknowledges and agrees that such services, including any applicable tax advice, may be performed by the member firm of KPMG International practicing in such jurisdiction. Accordingly, Client consents to KPMG's disclosure to a member firm and such member firm's use of data and information, including tax return information, received from or at the request or direction of Client for the purpose of completing the services under the Engagement Letter.

13. **Governing Law; Severability.** The Engagement Letter and these Standard Terms and Conditions shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws provisions. In the event that any term or provision of the Engagement Letter or these terms shall be held to be invalid, void or unenforceable, then the remainder of the Engagement Letter and these terms shall not be affected, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

14. **Alternative Dispute Resolution.**

(a) Any dispute or claim arising out of or relating to the Engagement Letter between the parties or the services provided thereunder shall be submitted first to non-binding mediation (unless either party elects to forego mediation by initiating a written request for arbitration) and if mediation is not successful within 90 days after the issuance by one of the parties of a request for mediation then to binding arbitration in accordance with the Rules for Non-Administered Arbitration of the International Institute for Conflict Prevention and Resolution ("CPR Arbitration Rules"). By operation of this provision, the parties agree to forego litigation over such disputes in any court of competent jurisdiction.

(b) Mediation, if selected, may take place at a location to be designated by the parties using the Mediation Procedures of the International Institute for Conflict Prevention and Resolution, with the exception of paragraph 2 (Selecting the Mediator).

(c) Arbitration shall take place in New York, New York. The arbitration panel shall have no power to award non-monetary or equitable relief of any sort except as provided in CPR Rule 13 (Interim Measures of Protection). Damages that are inconsistent with any applicable agreement between the parties, that are punitive in nature, or that are not measured by the prevailing party's actual damages shall be unavailable in arbitration or any other forum. In no event, even if any other portion of these provisions is held to be invalid or unenforceable, shall the arbitration panel have power to make an award or impose a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction.

(d) Either party may seek to enforce any written agreement reached by the parties during mediation, or to confirm and enforce any final award entered in arbitration, in any court of competent jurisdiction.

(e) Notwithstanding the agreement to such procedures, either party may seek equitable relief to enforce its rights in any court of competent jurisdiction.

15. **Miscellaneous.**

(a) Except as otherwise set forth in the Engagement Letter, in accepting this engagement, Client acknowledges that completion of this engagement or acceptance of Deliverables resulting from this engagement will not constitute a basis for Client's assessment or evaluation of internal control over financial reporting and 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 services under the Engagement Letter 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.

(b) KPMG may communicate with Client by electronic mail or otherwise transmit documents in electronic form during the course of this engagement. Client accepts the inherent risks of these forms of communication (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices) and agrees that it may rely only upon a final hardcopy version of a document or other communication that KPMG transmits to Client unless no such hard copy is transmitted by KPMG to Client.

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(c) For engagements where services will be provided by KPMG through 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) Where KPMG is reimbursed for expenses, it is KPMG's policy to bill clients the amount incurred at the time the good or service is purchased. If KPMG subsequently receives a volume rebate or other incentive payment from a vendor relating to such expenses, KPMG does not credit such payment to Client. Instead, KPMG applies such payments to reduce its overhead costs, which costs are taken into account in determining KPMG's standard billing rates and certain transaction charges that may be charged to clients.

(e) Except as permitted by law or the terms of the Engagement Letter, neither party shall acquire hereunder any right to use the name or logo of the other party or any part thereof. Any such use shall require the express written consent of the owner party.

16. **Entire Agreement.** The Engagement Letter and these Standard Terms and Conditions, including the Exhibits and Appendices hereto and thereto, constitute the entire agreement between KPMG and Client with respect to the services under the Engagement Letter and supersede all other oral and written representation, understandings or agreements relating thereto.

17. **Additional Terms for Engagements Involving 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 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.

(c) Information relating to advice KPMG provides to Client, including communications between KPMG and Client and material KPMG creates in the course of providing advice, may be privileged and protected from disclosure to the IRS or other governmental authority in certain circumstances. As KPMG is not able to assert the privilege on Client's behalf with respect to any communications for which privilege has been waived, Client agrees to notify KPMG of any such waivers, whether resulting from communications with KPMG or third parties in the same or a related matter. Client also understands that privilege may not be available for communications with an audit client and that KPMG personnel providing audit and non-audit services will discuss matters that may affect the audit to the extent required by applicable professional standards. Client agrees that KPMG will not assert on Client's behalf any claim of privilege unless Client specifically instructs KPMG in writing to do so after discussing the specific request and the grounds on which such privilege claim would be made. Notwithstanding the foregoing, Client acknowledges that in no event will KPMG assert any claim of privilege that KPMG concludes, after exercising reasonable judgment, is not valid.

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

(e) Client acknowledges that in connection with any tax compliance services provided by KPMG under the Engagement Letter, KPMG may utilize the services of affiliates and third party service providers within and without the United States 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 the disclosure to 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.

(f) In rendering tax advice, KPMG may consider, for example, the applicable provisions of the Internal Revenue Code of 1986, and the Employee Retirement Income Security Act of 1973, each as amended, and the relevant state and foreign statutes, the regulations thereunder, income tax treaties, and judicial and administrative interpretations, thereof. These authorities are subject to change, retroactively or prospectively, and any such changes could affect the validity of KPMG's advice.

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