

PRESENTMENT DATE AND TIME: May 21, 2010 at 12:00 Noon
OBJECTION DEADLINE: May 21, 2010 at 11:30 a.m.

ARNOLD & PORTER LLP
399 Park Avenue
New York, New York 10022-4690
Telephone: (212) 715-1000
Facsimile: (212) 715-1399
Michael J. Canning
Joel M. Gross

*Counsel for the Debtors
and Debtors-in-Possession*

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

In re

Quebecor World (USA) Inc., et al.,

Debtors.

Chapter 11

Case No. 08-10152 (JMP)
Jointly Administered

Honorable James M. Peck

**NOTICE OF PRESENTMENT OF STIPULATION AND
CONSENT ORDER BETWEEN DEBTORS AND THE STATE OF
LOUISIANA REGARDING DEBTORS' PREPETITION SALES TAX
LIABILITY PURSUANT TO AMENDED ORDER AUTHORIZING THE DEBTORS
TO (A) IMPLEMENT PROCEDURES TO DETERMINE PREPETITION AND
POSTPETITION SALES TAX LIABILITIES OF CERTAIN DEBTORS
PURSUANT TO STATE AND LOCAL VOLUNTARY DISCLOSURE PROCEDURES
AND (B) DETERMINE THE AMOUNT OF PREPETITION AND POSTPETITION
SALES TAX LIABILITY OF CERTAIN DEBTORS**

PLEASE TAKE NOTICE that Debtors will present the attached Stipulation and Consent Order Between Debtors and the State of Louisiana Regarding Debtors' Prepetition Sales Tax Liability Pursuant to Amended Order Authorizing the Debtors to (a) Implement Procedures to Determine Prepetition and Postpetition Sales Tax Liabilities of Certain Debtors Pursuant to State

and Local Voluntary Disclosure Procedures and (b) Determine the Amount of Prepetition and Postpetition Sales Tax Liability of Certain Debtors to the Honorable James M. Peck for signature on May 21, 2010, at 12:00 Noon.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Proposed Stipulation and Consent Order must be made in writing and received in the chambers of the Honorable James M. Peck, United States Bankruptcy Judge and by the undersigned not later than 11:30 a.m. on May 21, 2010. Unless objections are received by that time, the Stipulation and Consent Order may be signed.

PLEASE TAKE FURTHER NOTICE that if a written objection is timely filed and the Court determines that a hearing is necessary, a hearing will be held at the United States Bankruptcy Court for the Southern District of New York on a date to be determined by the Court. The moving and objecting parties are required to attend the hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: New York, New York
May 7, 2010

Respectfully submitted,

/s/ Michael J. Canning
Michael J. Canning
Joel M. Gross
ARNOLD & PORTER LLP
399 Park Avenue
New York, New York 10022-4690
Telephone: (212) 715-1000
Facsimile: (212) 715-1399
*Counsel for the Debtors
and Debtors In Possession*

To: All Parties Included in the Service List

ARNOLD & PORTER LLP
399 Park Avenue
New York, NY 10022-4690
Telephone: (212) 715-1000
Michael J. Canning

Counsel to the Reorganized Debtors

Debra Morris
Attorney, Legal Division
Louisiana Department of Revenue
617 North Third Street
Post Office Box 4064
Baton Rouge, Louisiana 70821-4064
Main Line: 225-219-2080
Reply Fax: 225-231-6235
Email: debra.morris@la.gov

*Counsel to Cynthia Bridges,
Secretary, Department of Revenue,
State of Louisiana*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____)	
In re:)	Chapter 11
)	
QUEBECOR WORLD (USA) INC., <i>et al.</i> ,)	Case No. 08-10152 (JMP)
)	(Jointly Administered)
Debtors.)	
_____)	Hon. James M. Peck

STIPULATION AND CONSENT ORDER BETWEEN DEBTORS AND THE STATE OF LOUISIANA REGARDING DEBTORS' PREPETITION SALES TAX LIABILITY PURSUANT TO AMENDED ORDER AUTHORIZING THE DEBTORS TO (A) IMPLEMENT PROCEDURES TO DETERMINE PREPETITION AND POSTPETITION SALES TAX LIABILITIES OF CERTAIN DEBTORS PURSUANT TO STATE AND LOCAL VOLUNTARY DISCLOSURE PROCEDURES AND (B) DETERMINE THE AMOUNT OF PREPETITION AND POSTPETITION SALES TAX LIABILITY OF CERTAIN DEBTORS

This stipulation (the "Stipulation") is made on the 5th day of May, 2010, by and between Quebecor World (USA) Inc. and its affiliated debtors and debtors-in-possession (collectively, the

“Debtors”) and Cynthia Bridges, Secretary of the Louisiana Department of Revenue, State of Louisiana (“Department”) in order to establish the liquidated and allowed amount of Louisiana’s prepetition claims for certain taxes, as set forth herein.

A. On January 21, 2008 (the “Petition Date”), each of the Debtors filed a petition under chapter 11 of the United States Bankruptcy Code.

B. On October 17, 2008 the Debtors filed a *Motion of the Debtors pursuant to 11 U.S.C. §§ 105(a), 502 and 505 and Federal Rule of Bankruptcy Procedure 9019 to (A) Implement Procedures to Determine Prepetition and Postpetition Sales Tax Liabilities of Certain Debtors pursuant to State and Local Voluntary Disclosure Procedures and (b) Determine the Amount of Prepetition and Postpetition Sales Tax Liability of Certain Debtors* (the “Sales Tax Motion”).

C. The Court granted the Sales Tax Motion on October 30, 2008, subject to certain modifications agreed to between the Debtors various taxing authorities. On November 14, 2008, the Court entered an *Amended Order Authorizing the Debtors to (A) Implement Procedures to Determine Prepetition and Postpetition Sales Tax Liabilities of Certain Debtors pursuant to State and Local Voluntary Disclosure Procedures and (b) Determine the Amount of Prepetition and Postpetition Sales Tax Liability of Certain Debtors* (the “Sales Tax Order”).

D. Pursuant to the Sales Tax Order, the Court approved certain Voluntary Tax Disclosure Procedures (as defined in the Sales Tax Motion) for the determination of the Debtors’ prepetition and postpetition sales tax obligations to Taxing Authorities that were subject to the Sales Tax Motion. Pursuant to the procedures approved in the Sales Tax Order, the Department and the Debtors agreed to subsequent extensions of the Department’s deadline to object to the amount of the Department’s prepetition and postpetition sales tax claims and have continued

discussions regarding the final determination of the amount of Louisiana's sales tax claims pursuant to the Sales Tax Order.

E. On June 18, 2009, the Debtors and the Department entered into a *Stipulation between Debtors and the State of Louisiana Department of Revenue regarding Debtors' Postpetition Sales Tax Compliance in connection with Motion of the Debtors Pursuant to 11 U.S.C. §§ 105(a), 502 and 505 and Federal Rule of Bankruptcy Procedure 9019 to (a) Implement Procedures to Determine Prepetition and Postpetition Sales Tax Liabilities of Certain Debtors pursuant to State and Local Voluntary Disclosure Procedures and (b) Determine the Amount of Prepetition and Postpetition Sales Tax Liability of Certain Debtors* (Docket No. 1801) (the "**Postpetition Tax Stipulation**").

F. Following discussions among the Debtors and the Department regarding the resolution of the Debtors' prepetition sales tax obligations on account of those prepetition taxes described in the Sales Tax Motion and subject to the Sales Tax Order (the "**Louisiana Prepetition Tax Claims**"), the Debtors and the Department have agreed to resolve the amount of the Louisiana Prepetition Tax Claims on the terms and conditions provided for herein.

NOW, THEREFORE, subject to approval by this Court, the Debtors and the Department agree as follows:

1. Having reviewed the Sales Tax Motion, the Sales Tax Order and such additional materials as have been provided by the Debtors to the Department in the course of the parties' discussions, the Department agrees that the allowance of the Louisiana Prepetition Tax Claims in the amount of \$248,128.39, as set forth in the Sales Tax Order, as an allowed prepetition unsecured claim entitled to priority pursuant to 11 U.S.C. § 507(a)(8)(C), shall be in full release

and discharge of any prepetition sales tax claims of the Department against the Debtors on account of the Louisiana Prepetition Tax Claims.

2. In consideration of the allowance of the Louisiana Prepetition Tax Claims as set forth herein and pursuant to the Sales Tax Order, the proofs of claim set forth on Exhibit A hereto, and any other claims that were filed in the Debtors' Chapter 11 Cases and which relate to the Louisiana Prepetition Tax Claims, are hereby disallowed and expunged.

3. This Stipulation shall be binding upon the representatives, successors and assigns of the parties hereto.

4. This Stipulation may only be amended or otherwise modified by a signed writing executed by the parties.

5. This Stipulation may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation to present copies or facsimiles signed by the parties.

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

Dated: May 5, 2010.

[Signature Page Follows]

THE STATE OF LOUISIANA DEPARTMENT
OF REVENUE

By its attorneys,

/s/ Debra Morris
Debra Morris

Attorney for the Secretary, Department of Revenue
State of Louisiana
617 North Third Street
Post Office Box 4064
Baton Rouge, Louisiana 70821-4064
Main Line: 225-219-2080
Reply Fax: 225-231-6235
Email: debra.morris@la.gov

THE DEBTORS and DEBTORS-IN-POSSESSION

By their attorneys,

/s/ Michael J. Canning
Michael J. Canning
ARNOLD & PORTER LLP
399 Park Avenue
New York, NY 10022-4690
Telephone: (212) 715-1000
Facsimile: (212) 715-1399

SO ORDERED.

New York, New York
_____, 2010

United States Bankruptcy Judge

Exhibit A

Proofs of Claim to Be Disallowed and Expunged:

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